

OAK PARK AND RIVER FOREST HIGH SCHOOL
Finance Committee Meeting
Agenda

June 14, 2011
Board Room
7:30 a.m.

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| 1. Call to Order | Amy McCormack |
| 2. Minutes | Amy McCormack |
| 3. Construction Update | Mike Benstent/Robert ZumMallen |
| 4. Asbestos Abatement Project Agreement | Robert ZumMallen |
| 5. Marching Band Uniform Bid | Tim Keeley |
| 6. Minority Hiring | Lauren M. Smith |
| 7. Flexible Benefits Plan Document | Lauren M. Smith |
| 8. Village of Oak Park Student Parking | Nate Rouse/Cheryl Witham |
| 9. E2 Service Contract | Mike Carioscio |
| 10. Residency Officer Contract | Cheryl Witham |
| 11. Legal Counsel Review | Cheryl Witham |
| 12. Thrive Services Contract | Cheryl Witham |
| 13. Property & Liability Ins. Renewal | Cheryl Witham |
| 14. Workers Comp Renewal | Cheryl Witham |
| 15. District Fees – Technology & Testing Reduction | Cheryl Witham |
| 16. Finance Advisory Committee Update | Cheryl Witham |
| 17. Financial Report | Cheryl Witham |
| 18. Treasurer's Report | Cheryl Witham |

Finance Committee Members

Chair: Amy McCormack

Board of Education

DLT

Jim Hunter – FSEC Chair

July, 2010	August, 2011	September, 2011	October, 2011
FY 12 Preliminary Budget Update on Employee Wellness Program Triton Adult Education Contract	Tentative Budget 2011 - 2012	Fin. Adv. Com Proposal Wireless Access Employee Ben. Ins. Broker 2010 - 2011 Budget Approval	Insurance Renewals Levy Timeline Books & Fees Report FY 2010 Audit Report Dist. 97 Food Service Contract
November, 2011	December, 2011	January, 2012	February, 2012
Preliminary 2010 Levy Employee Benefit Ins. Renewal Update Vanguard Energy Svcs.	2010 Levy Youth Interventionist	Authority to Commence Amend. Budget 10/11 Authority to Commence FY 11/12 Budget Prep Contracts of \$10,000 - \$25,000 Report Coaches Stipends vs Activity Funds	Student Fees 11/12 PTAB Resolution Transportation
March, 2012	April, 2012	May, 2012	June, 2012
Author. to Commence 2011 Audit 2011 - 2012 Athletic Uniform Bid Board of Ed FY 2012 Budget Life Safety Amendment	Present Amended Budget Triton Contract Dist. 200 Food Service lunch prices 11/12 Division FTE 5 Year Plan PaperBid Construction Bids Final Staffing and Stipends FY2012 Resolution to transfer funds Food Service Rollover Bids	Prevailing wage Bleacher Bid Contracts for FY 11-12 Towel Service Bid Wellness Report Minority Hiring Cost Containment/FAC update Strategic Plan Budget RFQ Marching Band Uniform Bid Amended Budget Approval	Property & Liability Ins Renewal Workers Comp Renewal Thrive Services
Every Meeting:			
Minutes Construction Update Finance Advisory Committee Update Financial Reports Treasurer's Report			

OAK PARK AND RIVER FOREST HIGH SCHOOL
201 North Scoville Avenue
Oak Park, IL 60302

FINANCE COMMITTEE MEETING

Tuesday, May 17, 2011

A Finance Committee meeting was held on Tuesday, May 17, 2011. Co-Chair Allen called the meeting to order at 8:10 a.m. in the Board Room. Committee members present were Terry Finnegan, Dr. Ralph H. Lee (arrived at 8:27 a.m.), Amy McCormack, Dr. Dietra D. Millard, John Phelan (arrived at 8:15 a.m.), and Sharon Patchak-Layman. Also present were Dr. Steven T. Isoye, Superintendent; Michael Carioscio, Chief Information Officer; Nathaniel L. Rouse, Principal; Lauren M. Smith, Director of Human Resources; Cheryl L. Witham, Chief Financial Officer and Treasurer; and Gail Kalmerton, Executive Assistant/Clerk of the Board.

Visitors included Kay Foran, Community Relations and Communications Director; James Paul Hunter, FSEC Chair; Doug Wiley, OPRFHS Supervisor of Finance; Robert Zummallen, Director of Buildings and Grounds; Micheline Piekarski, Director of Food Services; Cindy Milojevic, Assistant Principal for Student Services; Tim Keeley, Purchasing Coordinator; and Michael Benstent, Henry Bros.

Approval April 19, 2011 Finance Committee Minutes

Mr. Finnegan moved to approve the Finance Committee Minutes of April 19, 2011, as presented; seconded by Dr. Millard. A roll call vote resulted in all ayes.

Amendment to the Dairy RFP Award

It was the consensus of the Finance Committee members to recommend to the Board of Education that it approve the amendment to the NIIPC Dairy Products award for Bradley, Bradley Bourbonnais High School, Burr Ridge, Joliet High School, and Kankakee to the next lowest bidder, Cloverleaf Farms at the Special Board Meeting immediately following this meeting.

On May 10, OPRFHS received an email from the owner of Bob's Dairy, John Leonard, stated that he could not deliver to the above-named school districts as previously approved.

Construction Update

Mr. Benstent reported that the construction and abatement schedules have been developed and coordinated with the school programs and contractors. The first contractor/coordination meeting was conducted May 10, 2011.

It was the consensus of the Finance Committee members to recommend that the Board of Education approve the Summer 2012-2013 Construction plans as submitted at its regular May Board of Education meeting.

In response to a question about the replacement of bathroom fixtures, Mr. Zummallen said the fixtures themselves were in good condition, but he was exploring the addition of stall dividers in the future.

Subcommittees are working with Mr. Rouse on the planning of the north end of the building. Legat will work with the departments and hear their visions. This will not be phased in until 2013. This summer more lockers will be installed on one side within the music area and the Music Department is rethinking its space.

Mr. Benstent stated the pre-construction and planning stage was currently occurring, e.g., all of subcontracts have been issued to the contractors and are now collecting performance and payment bonds, certificate of insurance, shop drawings, and acquiring the long-lead items, e.g., air handlers, etc. All schedules have been written and reviewed by the District. Weekly meetings will occur with the owner and trade contractors. The fire marshals have been shown the work for this summer. Construction will start June 13 and the substantial completion date will be by August 5.

Stipend Review Committee Update

Ms. Milojevic explained this report was not the athletic and activity end of the year report; that report will be provided to the Board of Education in the fall. This report was a result of questions asked at a previous meeting. The process of starting a new club includes sending ideas to first Ms. Milojevic and she then forwards them to the Stipend Review Committee for review. Clubs have been discontinued because of low attendance (12 or fewer members). Each year she reviews the rosters and talks with the sponsors. Next year, sponsors will be able to take attendance electronically through Skyward just as they do for regular classes. If there is money available, the committee will make recommendations for new clubs. The Committee will make a determination tomorrow on whether any of the six clubs with low attendance will be allowed to continue and if any new clubs should be brought forth.

Ms. Milojevic provided the following statistics as to whether there was a correlation between a student's GPA and being in an extracurricular activity, including intramurals. She thanked Chris Thieme for his help with the analysis.

Unexcused Absences:

Those involved in cocurricular activities:	1.576 (2,259 students)
Those not involved cocurricular activities:	3.542 (1,162 students)

Average of Cumulative GPA:

Those involved in cocurricular activities:	2.960 (2,917 students)
Those not involved cocurricular activities:	2.311 (578 students)

When asked how the District might be able to affect the students who are turned away from activities because there are not enough resources, Ms. Milojevic stated that there are five power clubs which are open to all and have very large memberships, i.e., Student Council, Best Buddies, Tau Gamma, Huskie Athletic Club, and Spoken Word. There is an interest in expanding intramurals and Mr. Stelzer and Mr. Baker are responsible for working out the details. The problem is that OPRFHS has limited field space. Currently 90 students participate in intramurals.

The District is in the process of conducting a two-fold analysis of the current student body as to whom and who is not engaged. Each counselor has provided the names of two or three students who will be invited

to focus groups and asked 1) why are they not participating in anything at the high school, 2) what are they doing, etc. Dan Cohen is helping to devise a survey that will be given to English classes as to why students do not engage in activities and/or what activities they would like to participate in that the District does not offer. She has already completed small focus groups of at risk students and is analyzing that data.

Club students focus on doing well academically and the new reporting system will facilitate that focus. Sponsors will be able to see the student's academic performance, just as athletics do. Keeping track of students' grades in athletics is a main reason for the Assistant Athletic Director's position. Spoken Word has very strict criteria: if a student is not achieving academically, he/she will not be able to perform. Gospel Choir looks to identify students and gives them additional support, e.g. hosts study sessions before finals. Should a student in an activity be struggling in another area, he/she will be directed to the resources available to them, i.e., tutoring center, study table, etc.

Ms. Patchak-Layman noted that some students are involved in the school, not as participants but as audience participants. She saw them differently from those who totally disengaged. How does the school find those students who are totally disengaged? Ms. Milojevic indicated that the school is exploring using scanners at athletic/performance events, etc., to capture those numbers as well. Of note, many students work after school or are active in the community or in church groups.

Ms. Milojevic will provide the Committee members with the form used to start a new club.

Epson Projector/ Speaker Award

It was the consensus of the Finance Committee members to recommend to the Board of Education that it award the speaker portion of the contract to the next lowest bidder, Midwest Computer Product, at the Special Board Meeting immediately following this meeting. The District had awarded Midwest for the projectors, but its bid only included installation, so the next lowest bidder was taken.

Wi-Fi Phase II Bid

It was the consensus of the Finance Committee members to recommend that the Board of Education approve the hardware portion of the contract to CDW-G at its regular May Board of Education meeting.

This will be Phase 3 of increasing wireless density to support the increasing number of computing devices being deployed as part of the multi-year technology plan.

The labor/installation portion of the project will be solicited and awarded through the approved Board of Education purchasing process of obtaining three competitive quotations for all construction projects under \$50,000.

Mr. Carioscio explained the bidding experience. Instead of bundling the services, the District tried to do this ala carte, but there was some discomfort experienced by the vendors. This will be rectified in the next bidding project he has.

Bleacher Bid

It was the consensus of the Finance Committee members to recommend that the Board of Education award the replacement of portable bleachers contract to Bleacher America at the Special Board meeting immediately following this meeting.

The District is required to have bleacher safety inspections every two years. The Life Safety inspections for the portable bleachers have indicated \$26,980 in repairs. The old portable bleachers have outlived their useful life and have become a safety issue to move.

The bleachers being ordered are high density polyethylene seat (HDPE) and are desirable because of its durability. This is the only company who had that type of seating. While the warranty is five years, Mr. Zummallen expected 20 years worth of service. The old bleachers will be recycled.

PE Uniform Bid

It was the consensus of the Finance Committee members to recommend that the Board of Education award the bid for shorts to Ambassador and the bid for shirts to Authentic Promo at the regular May Board of Education meeting. Ms. Charette-BassiriRad authored the specifics for this bid.

Finance will check on the replacement of swimsuits.

The Committee members offered suggestions on the presentation of bids in this report for clarity.

Towel Service Contract Renewal

It was the consensus of the Finance Committee members to recommend that the Board of Education approve a one-year extension through the 2011-12 school year with National School Towel Service at its regular May Board of Education meeting. The original contract was signed in 2009 for one year with up to three, one-year contract extensions. The District has been happy with this service as it delivers in a timely and courteous manner. There is also a zero percent increase from the current price. Total annual cost is approximately \$50,000. The contract will be provided at the regular Board of Education meeting.

Prevailing Wage

It was the consensus of the Finance Committee members to recommend that the Board of Education approve the Resolution for Prevailing Wage at its regular May Board of Education meeting.

It is a requirement of the Illinois Department of Labor that local governmental bodies annually adopt a resolution for prevailing wages to be paid to workers in certain job classifications.

The District signed an agreement last year agreeing to pay union wages. Bidders are notified that this agreement is in place and it is up to the construction manager to enforce it. There was a question about whether landscaping companies paid these same wages.

Amended Budget

It was the consensus of the Finance Committee members to recommend that the Board of Education approve the FY 2010-2011 Amended Budget at its regular May Board of Education meeting after a public hearing is held at that meeting.

The following items changed from the document the committee received in April:

1. Final adjustments in several grant dollar amounts. The revenue and corresponding expenditures amounts have been adjusted accordingly.
2. An adjustment to Other Local Revenue to increase the budget to reflect an additional payment of \$702,000 for the 2003 Intergovernmental TIF agreement.
3. An increase in expenditures of \$101,356 for the technology upgrades purchased with the River Forest TIF funds. In coordinating the technology purchases and installation timeline with the construction projects, it became evident that the project needed to begin before July 1 in order to complete on time for the school year. This adjustment moves the timing of spending the funds rather than an overall increase. The expenditures for FY 2012 have been reduced and increased in FY 2011. The project has already been approved by the Board of Education and the funds received from the Village of River Forest.

Finance Advisory Committee Update

The Finance Advisory Committee met Monday, May 16. Ms. Witham updated the Committee on the events of April. On April 6, the FAC Subcommittee worked on a communication plan. A QRC for Instructional Materials had met but will not meet again. On April 19, the subcommittee met to practice its presentation for the District's leadership. The scheduled presentation to the District leadership on May 12 was delayed so that a conversation on lunch hour options could occur.

On May 16, Ms. Witham presented all information and progress to FAC and explained the delay in rolling out the plan. Significant conversation occurred about what was the intent of the plan. Because the plan was meant to be broad enough so that participants are free to meet and discuss cost containment, they reworked the document to provide that freedom. The recommendations were as follows:

- Two separate committees are suggested in order to divide the work by area of expertise. One committee will be responsible for academic Working Groups and another for operational Working Groups. Members of the QRC will all participate equally. A facilitator will be named for each group. The Board of Education shall select a board member for each of the two committees to serve a one-year term. Representatives from the working group will present the cost containment initiative to the appropriate QRC.
- Composition of the academic QRC should include the Principal, Assistant Superintendent of Curriculum and Instruction, Director of Assessment and Research, Chairman of the Faculty Senate, and a Board Member.
- Composition of the operational QRC should include the CFO, CIO, and Director of Human Resources, Director of Buildings and Grounds, Director of Food Services, Director of the Bookstore, a Board Member, and the Speaker of the Faculty Senate.
- At the Superintendent's discretion, in order to address special circumstances, an ad hoc QRC may be formed with membership drawn from the operational and academic QRCs. A question arose about whether experts would be allowed to present at the QRC. The scope of the experts involved may vary and the members of the presenting working group and experts will be nonvoting members.

Dr. Lee was concerned with the assumption that the District would exhaust fund balances by 2018 and he wanted it removed from the document, as he believed the date had already changed to 2020. He also noted that there was no assumption in the document that reflected property values and home prices in Oak Park and River Forest had decreased and the EAV will be smaller than projected. It was reiterated that it was important to layout the common assumptions about the finances as understood at that point in time. Each year, the assumptions will be laid out in the five-year plan and the EAV is part of the plan. ALT will talk about the assumptions in August. There was no support to make changes.

The process was reiterated. FAC has suggested a model to be used to review finances; it will have no influence on what the ALT will recommend to the Board of Education. ALT will express its concern about finances directly to the Board of Education, based on the current information and ideas. The goal of ALT is to attempt to add another year before the District will have to go out for a referendum. The goal of FAC was to bring everyone to the table to be heard and to be part of the process—the Board of Education’s biggest mandate.

It was the consensus of the Finance Committee members to recommend to the Board of Education that it approve the amendment at its regular May Board of Education meeting under Finance.

Monthly Financial

It was the consensus of the Finance Committee members to recommend that the Board of Education members approve the April Financial Reports at its regular May Board of Education meeting.

Treasurer Reports

It was the consensus of the Finance Committee members to recommend that the Board of Education members approve the April Treasurer’s Report at its regular May Board of Education meeting.

Adjournment

The Finance Committee meeting adjourned at 9:52 a.m.

Oak Park and River Forest High School
District 200

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

TO: Board of Education

FROM: Michael Benstent Henry Bros Co.

DATE: June 14, 2011

RE: 2011 Life Safety Improvements

BACKGROUND :

Mobilization for asbestos abatement is scheduled for 6-10-11 and asbestos removal will begin in the tunnel section of the building on the same day.

All other work is scheduled to begin on 06-13-11 and reach substantial completion on 08-05-11. All contractors are under contract and have submitted their proof of insurance and bonds.

Henry Bros. Co. has a full time field superintendent and has been assigned a temporary field office.

The Fire Department has conducted a walk through of the building and has requested temporary barricades that have been coordinated with the new work being installed this summer.

The Architect has procured the Building Permit from the Regional Office of Education.

SUMMARY OF FINDINGS:

No issues to report.

RECOMMENDATIONS

No further recommendations at this time.

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

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

TO: Board of Education

FROM: Robert Zummallen

DATE: June 14th, 2011

RE: Asbestos Abatement Project Agreement

BACKGROUND :

As part of the summer 2011 approved construction projects we will be abating the 2nd floor old building floor tile, rooms 217, 218, 219, 273, 274 and 274. A beam in the 2nd floor 200 hallway and some in the old building tunnel also requires abatement.

SUMMARY OF FINDINGS:

This year's contract, provided by our attorney, Ken Florey is attached for Board review. The low bidder on the contract was M&O Environmental Company with a cost of **\$150,040.00**. Other bids were from Valor \$243,900.00 and Universal Abatement \$167,400.00

RECOMMENDATIONS

To present for approval the Abatement Project Agreement as presented at the June Special Board meeting.

**OAK PARK AND RIVER FOREST HIGH SCHOOL DISTRICT 200
ASBESTOS ABATEMENT PROJECT AGREEMENT**

THIS AGREEMENT (A Agreement@) is made as of the date set forth below by and among BOARD OF EDUCATION FOR OAK PARK AND RIVER FOREST HIGH SCHOOL DISTRICT 200 (ASchool District@) and M&O ENVIRONMENTAL COMPANY (A Contractor@).

The Owner and Contractor desire to enter into this Agreement, pursuant to which Contractor shall perform certain work in connection with the Project, as hereinafter provided. In consideration of the performance of work by Contractor and the payment for such work by the Owner, the parties agree as follows:

1. Scope of Project. Contractor shall perform work for the Owner in connection with the Project, including specifically, the matters set forth in the Project Manual for Asbestos Abatement. All of Contractor's obligations pursuant to this Agreement are hereinafter referred to as the "Work."
2. Independent Contractor. The Contractor is an independent contractor. The Contractor shall be solely responsible for means and methods selected in performing the Work. Contractor shall supervise all work so that it is performed in a safe and expeditious manner. Contractor shall be solely responsible for the safe work of its employees and its subcontractor=s employees.
3. Licensure. Contractor warrants that it and its employees are properly licensed with all applicable governmental entities for the Work required herein. Contractor shall provide proof of such licensure upon request by the Owner.
4. Communications. All communications between Owner and Contractor shall be through Owner's designated representative. Contractor shall promptly notify the Owner immediately in writing: (i) of any information required from the Owner so Contractor can complete its work in a timely manner; (ii) of any patent errors, omissions, or ambiguities in the contract documents, and (iii) of any work requested by the Owner that is not included in the scope of work provided in the Project Manual.
5. Encountering Asbestos Containing Materials. The Contractor shall take action(s) for any encounters of asbestos-containing materials, related debris and contaminated materials in full accordance with all applicable federal and state laws, rules and regulations. All related costs shall be included in the basic contract price. If, during the course of work, the Contractor encounters other materials in these areas or other areas not specified in the contract documents, which could require disturbance, clean-up or removal, it shall halt work and immediately notify the Owner for a determination of asbestos content and instruction as to procedure.
6. Asbestos Containing Materials Not Shown. For any types of extensive, non-incidental asbestos-containing materials which are encountered, and which are not specified in the contract documents, if so directed by the Owner, the Contractor shall remove and dispose of such materials according to the methods specified in the contract documents by appropriate Change Order. All such materials shall be quantified by the Owner or its designated representative, and the cost agreed upon by the Contractor and the Owner prior to commencing abatement of such asbestos containing materials.
7. All Asbestos Containing Materials To Be Removed. No asbestos containing materials shall remain in place, unless Contractor has made adequate provisions to keep non-friable asbestos containing materials in non-friable condition during demolition, and waste disposal site will accept these and related building materials debris as asbestos containing materials waste. If asbestos containing materials will be left in place during demolition, these provisions shall be described in the Contractor's abatement plan, and approved by Owner prior to demolition.
8. Medical Records. The Contractor shall assume full responsibility and liability for the compliance with all applicable Federal, State and local regulations pertaining to work practices, hauling, disposal, and protection of workers, visitors to the site, and persons occupying areas adjacent to the site. The Contractor is responsible for providing medical examinations and maintaining medical records of personnel as required by

the applicable Federal, State, and local regulations. The Contractor shall hold the Owner and Owner's Consultant harmless for failure to comply with any applicable work, hauling, disposal, safety, health or other regulation on the part of itself, its employee, or its subcontractors.

9. Work Areas and Owner's Property. Contractor shall conduct its operations only in designated areas. Contractor shall not allow accumulation of rubbish, materials, and debris. Contractor shall maintain the work areas and adjacent areas in a neat and orderly fashion. Contractor shall erect dust barriers, and shall take other measures as necessary to protect the Owner's property. Contractor shall promptly remedy any damage or other harm caused to Owner's property, or to the property of other parties such as employees or students.

10. Work Site Rules. Contractor shall maintain strict work site rules to guard the safety of persons and property. Contractor shall prevent contact between employees and students, and shall prevent presence on site of any objectionable materials or substances, including but not limited to: alcohol, tobacco, illegal drugs, cigarettes, weapons, non-essential hazardous or flammable materials, etc.

11. Other Contractors and Adjacent Work. The Contractor understands that the Owner may engage other Contractors or the Owner's personnel to work in areas near the Contractor=s work. Contractor shall cooperate with such others so that work is not disrupted or delayed.

12. Meetings. If requested by the Owner, a representative of Contractor shall attend meetings called by the Owner in order to discuss the Work.

13. Contract Time. Time is of the essence under this Agreement. The Work shall commence and be completed as follows:

Date of commencement: June 9, 2011

Date of substantial completion: July 22, 2011

Date of final completion: July 22, 2011

14. Schedule: Prior to commencing the Work, Contractor shall provide a schedule in bar chart format to the Owner. The schedule shall depict commencement and completion of the Work within the times stated herein. The Contractor shall not thereafter deviate from the schedule, except for good cause. If the Contractor shall revise and submit a new schedule if it materially deviates, or intends to materially deviate, from a previously submittal schedule.

15. Payment to Contractor. The Owner shall pay Contractor for Contractor=s work properly performed under this Agreement the following lump sum Contract Price:

Contract Price: \$ 150,040.00

16. Invoices. Contractor shall submit monthly statements for work rendered. The statements will be based upon Contractor=s work completed at the time of billing on the basis of actual work properly performed. The Owner shall make payments to Contractor thirty (30) days after receipt of Contractor=s statements properly submitted. Monthly statements shall detail Amount Currently Due, Previous Amount Billed, Changes, Retention, and Balance of Contract Outstanding. Upon the Owner's request, Contractor shall submit mechanics= lien waivers in form acceptable to the Owner with each statement for work rendered or request for payment. Requests for payment shall be submitted no more than once per month in a format acceptable to the Owner. Any terms or payment provisions, such as penalties or interest, contained on Contractor=s invoices shall be of no effect.

17. Retention. Owner shall withhold ten percent (10%) from each payment, except the final payment. The amount held in retention shall be paid to the Contractor upon final completion of the Work as part of the final payment. No interest shall accrue on monies held in retention.

18. Withholding. The Owner may withhold payment from monies otherwise due to the Contractor to compensate the Owner for the cost of repairing defective Work or completing incomplete Work in case of Contractor default.

19. Final Payment. When the Work is fully and finally complete, the Contractor shall submit a final invoice for all monies then properly due. Acceptance of final payment shall serve as a waiver of all Contractor claims not previously submitted in writing.

20. Defective Work and Guarantee. All Work shall be of high quality and free of defect. All Work shall strictly comply with the requirements of the contract documents. Contractor shall promptly correct any defective Work. Payment by the Owner for any work otherwise determined to be defective shall not relieve Contractor of its obligation to correct.

21. Indemnification. Contractor hereby agrees to indemnify and hold the Owner, its members, officers, agents, and employees (collectively the AIndemnitees@) harmless from all losses, claims, liabilities, injuries, damages and expenses, including but not limited to, all attorneys= fees, defense and court costs and expenses, that the Indemnitees may incur arising out of, or occurring in connection with, the performance, acts, omissions, or breaches by Contractor of its duties and obligations under or pursuant to this Agreement. This indemnification obligation shall not be limited by a limitation on amount or type of damages, compensation or benefits payable by or for the Contractor or a Subcontractor under workers= or workmen=s compensation acts, disability benefit acts or other employee benefit acts.

22. Insurance. The Contractor shall not commence work under this contract until all insurance required herein is obtained and approved by the Owner. Nor shall the Contractor allow any subcontractor to commence work until all similar insurance required of the subcontractor has been so obtained. The Contractor shall furnish the Owner with two (2) original Certificates of Insurance, with the Owner and its Consultant, if any, named as an additional insured for Commercial General and Automobile Liability, showing the following minimum coverage with an insurance company acceptable to the Owner. Further, the Certificate of Insurance shall state that coverage provided is primary to any other coverage available to the Owner. The foregoing Certificates shall contain a provision that coverage afforded under the policies will not be cancelled or non-renewed until at least thirty (30) days prior written notice has been given to the Owner.

TYPE OF INSURANCE

MINIMUM INSURANCE COVERAGE

Combined Single Limit Per Occurrence/Aggregate

Commercial General Liability including:

\$2,000,000/\$3,000,000

Automobile Liability

Owned, Non-owned, or Rented

\$2,000,000/\$3,000,000

Workers' Compensation and Occupational Diseases

As Required by Applicable Laws

23. Performance and Payment Bond. Contractor shall procure a performance and payment bond from a surety with a Best Rating of A, XV. Contractor shall submit bonds prior to commencement of any work on the Project. Any provisions contained within the bonds creating a condition precedent for the Owner, or abrogating the Owner's rights or remedies, otherwise available in contract or law, are void. The provisions of this Agreement shall be deemed fully incorporated into the bonds, and in case of conflict, the terms of this Agreement shall prevail.

24. Owner=s Right to Take Over Contractor=s Work. If the Contractor fails to carry out the Work in accordance with this Agreement and fails within a seven-day period after receipt of written notice from the Owner to effectively commence and continue correction of such failure, the Owner may correct such failings. In such case an appropriate Change Order shall be issued deducting from payments then or thereafter due the Contractor the reasonable cost of correcting such deficiencies, including all Owner=s expenses arising

from such failure. If payments then or thereafter due the Contractor are not sufficient to cover such amounts, the Contractor shall pay the difference to the Owner within thirty days notice by Owner.

25. Termination. The Owner may terminate this Agreement at any time, in whole or in part, with or without cause, upon written notice to Contractor. In the event this Agreement is terminated for convenience, Contractor shall be compensated for work properly rendered through the date of termination, as can be documented to the reasonable satisfaction of the Owner. The Owner shall have no liability to Contractor beyond the date of termination. In no event shall contractor be compensated for anticipated profit or lost opportunity. If the Agreement is terminated for cause, the Owner shall have no obligation to compensate Contractor for services rendered until all damages, losses, or expenses are ascertained and assessed against amounts otherwise due. In the event that a credit is thereby deemed owing to the Owner, Contractor shall compensate such credit to the Owner within thirty days of notification by the Owner of the amount due.

26. Liens. Provided that the Owner is not in default of payment, should any lien(s) be placed on the project by any subcontractor, Contractor shall indemnify the Owner for all costs, expenses and attorneys' fees incurred in the defense of such lien.

27. Materials. All materials incorporated into the work shall be new and of high quality. Contractor shall adhere to all manufacturer=s recommendations. If requested by the Owner or otherwise set out in the contract documents, Contractor shall, before purchase of such material, submit to the Owner for the Owner's review, and in a format acceptable to the Owner, all product data and literature. All manufacturer=s warranties shall be forwarded to the Owner prior to substantial completion of the work.

28. Differing Site Conditions. Should Contractor unearth or uncover any concealed condition differing materially from conditions depicted in the drawings or from conditions reasonably anticipated or inherent in the work, Contractor shall immediately stop the work and shall notify the School District of the condition in writing. The School District shall then issue directions. The contract time and contract price shall be equitably adjusted to reflect adjustments in time and price caused by the unforeseen condition. However, prompt written notice by the Contractor of the condition shall be a condition precedent to such adjustments.

29. Force Majeure. Neither party hereunder is liable for failure to perform its obligations if such failure is as a result of Acts of God (including fire, flood, earthquake, storm, hurricane or other natural disaster), war, invasion, act of foreign enemies, hostilities (regardless of whether war is declared), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, government sanction, blockage, embargo, labor dispute, strike, lockout or interruption or failure of electricity or telephone service. No party is entitled to terminate this Agreement in such circumstances. If a party asserts Force Majeure as an excuse for failure to perform the party's obligation, then that nonperforming party must prove that it took reasonable steps to minimize delay or damages caused by foreseeable events, that it substantially fulfilled all non-excused obligations, and that the other party was timely notified of the likelihood or actual occurrence of the force majeure event.

30. Changes in Scope of Work. The Owner may, without invalidating this Agreement, direct changes in the scope of the work, whether taking the form of additions, deletions, or other revisions. Upon receipt of direction for change, Contractor shall promptly implement the change into the Work. Upon receipt of direction for change, Contractor shall immediately propose an estimated change to the contract price and contract time. After the Contractor and Owner have agreed to the adjustment in contract price and contract time, a Change Order shall be prepared memorializing the terms of the change. Upon full execution of the Change Order, the Contractor shall incorporate the Change Order into the next application for payment. If the change includes added work, the added work must be completed before the Contractor may receive payment therefor. If the change in work will result in a change in contract price, the change in price shall be calculated by 1) lump sum, 2) agreed unit rates, or 3) time and material reimbursable plus mark-up. The Owner shall solely select the method of pricing. Contractor shall be allowed 10% mark-up on change order work when time and material reimbursable method of pricing is selected.

31. Contractor Requests for Changes and Claims. In the event that the Contractor incurs additional expense and/or time impact, the Contractor shall make a written request for Change Order to the Owner. All requests for Change Order shall be made within twenty one (21) days of the occurrence giving rise to the

request. Untimely requests shall be waived. If the Owner denies the request, the Contractor may submit a written Claim to the Owner setting out the causes of giving rise to the Claim, along with the known (or estimated if not reasonably known) impact on Contract Price and Time. If the Owner does not provide written response to the Claim within thirty days of Owner's receipt, the Claim shall be deemed denied.

31.a. If the Contractor is delayed by the Owner or by other reasons beyond the Contractor=s control, the Contractor shall be entitled to an equitable extension of Contract Time, however, such extension shall be Contractor=s sole and exclusive remedy. There shall be no damages for delay.

31.b. The Contractor shall not be entitled to an extension of Contract Time for reasons under Contractor=s control. All actions, omissions, or defaults by Contractor=s subcontractors, supplier=s, employees, or agents shall be deemed to be under Contractor=s control.

31.c. All claims for extension of time shall be supported by appropriate scheduling documents.

32. Arbitration. At the sole and exclusive option of Owner, any dispute or controversy between Owner and Contractor relating to this Agreement shall be resolved by binding arbitration. Arbitration can only be initiated by either 1) written demand for arbitration by Owner, or 2) written request for arbitration by Contractor and written acquiescence by Owner within thirty days thereafter. Any party having or claiming an interest in the arbitration may be joined. Any arbitration proceeding between Owner and Contractor may be consolidated with any other arbitration proceeding providing that such other proceeding involves common issues of law and fact. If the parties agree, the arbitration may be conducted with an agreed upon arbitrator via agreed arbitration rules. If the parties do not so agree, then the arbitration shall be conducted via the applicable rules of either the American Arbitration Association or JAMS, whichever the Owner chooses in writing. The arbitrator shall be empowered to establish reasonable rules for the conduct of the arbitration, and shall have sole and exclusive authority to interpret all provisions of this Agreement. Immediately after the arbitrator is empanelled, the arbitrator shall establish a procedure for submission of written contentions of fact and law, and responses thereto. The arbitrator shall be empowered to award reasonable attorneys' fees to the prevailing party. The initial demand or request for arbitration, as the case may be, shall be made in clear and express writing within a reasonable time, but in no event shall such demand or request be valid if made after time would be allowed pursuant to an otherwise applicable statute of limitation or repose. The arbitration award may be enforced by any court of competent jurisdiction.

33. Safety. The Contractor shall ensure a safe work environment for its employees and its subcontractors' on-site employees. The Contractor shall also ensure that its Work areas are safely maintained to protect against injury by passersby.

34. Waiver. No consent or waiver, express or implied, by either party to this Agreement to or of any breach or default by the other in the performance of any obligations hereunder shall be deemed or construed to be a consent to or waiver of any other breach or default by such party hereunder.

35. Cumulative Remedies. All remedies set forth herein, or available in equity or law, are cumulative, and the exercise of one shall not be deemed to prevent or abridge the exercise of another.

36. Successors and Assigns. Contractor shall not assign any rights under or interest in this Agreement without the prior written consent of the Owner. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

37. Controlling Law and Venue. This Agreement is to be governed by the laws of the State of Illinois. Exclusive venue for any dispute resolution proceeding between the Owner and Contractor shall lie in Cook County, Illinois.

38. Third Party Beneficiaries. There are no third party beneficiaries to this Agreement.

39. Applicable Laws. Contractor shall comply with all applicable laws, ordinances, codes, regulations, rules, and other legal requirements in the performance of the Services. Further, Contractor shall advise the

Owner of any legal requirements applicable to the Owner in relation to the Services for which the Contractor observes that the Owner may not be in compliance.

40. Prevailing Wage Act. Contractor shall not pay less than the prevailing wage as established pursuant to an Act Regulating The Wages of Laborers, Mechanics, and Other Workman employed under Contract for Public Workers 820 ILCS 130/1 *et seq.*

41. Human Rights Act. To the extent required by law, contractor shall abide by the Illinois Human Right Act, 775 ILCS 10/0.01 *et seq.*

42. Drug Free Workplace. To the extent required by law, contractor shall abide with the requirements of the Drug Free Workplace Act 30 ILCS 580.1 *et seq.*

43. Sexual Harassment Policy. Contractor represents by the signing of this Agreement that it has a written sexual harassment policy that is in accordance with 775 ILCS 5/2-105 (A)(4).

44. Entire Agreement; Conflict. This Agreement incorporates by reference the Project Manual and all documents referenced therein, all bid instructions, and the Contractor's bid. This Agreement represents the entire agreement between Contractor and the Owner and supersedes all prior negotiations or agreements, written or oral, which are not included herein. In case of conflict between the documents, the order of precedence shall be 1) this Agreement, 2) the Project Manual, 3) Contractor's bid.

This Agreement has been executed the day and year provided above.

OAK PARK AND RIVER FOREST HIGH
SCHOOL DISTRICT 200

Contractor:
M&O ENVIRONMENTAL COMPANY

By: _____

By:  _____

Name: _____

Name: Daniel Schuman

Title: _____

Title: Vice President

Date: _____

Date: May 31, 2011



CERTIFICATE OF LIABILITY INSURANCE

OP ID: 2D

DATE (MM/DD/YYYY)

05/31/11

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER The Horton Group, Inc. www.thehortongroup.com 10320 Orland Parkway Orland Park, IL 60467 Charles A. Naso	708-845-3000	CONTACT NAME: PHONE (A/C, No, Ext): E-MAIL ADDRESS: PRODUCER CUSTOMER ID #: MOENV-1	FAX (A/C, No):
INSURED M & O Environmental Company P.O. Box 759 Homewood, IL 60430-8759	INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A : Zurich American Ins			
INSURER B : Hartford Insurance		22357	
INSURER C :			
INSURER D :			
INSURER E :			
INSURER F :			

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR	WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY			GPL4892870	02/01/11	02/01/12	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY		DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000				
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR		MED EXP (Any one person) \$ 10,000				
	<input checked="" type="checkbox"/> Pollution Liabili		PERSONAL & ADV INJURY \$ 1,000,000				
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE \$ 2,000,000
	<input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						PRODUCTS - COMP/OP AGG \$ 2,000,000
							Emp Ben. \$ 1,000,000
A	AUTOMOBILE LIABILITY			BAP4892863	02/01/11	02/01/12	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO		BODILY INJURY (Per person) \$				
	<input type="checkbox"/> ALL OWNED AUTOS		BODILY INJURY (Per accident) \$				
	<input type="checkbox"/> SCHEDULED AUTOS		PROPERTY DAMAGE (Per accident) \$				
	<input checked="" type="checkbox"/> HIRED AUTOS						\$
	<input checked="" type="checkbox"/> NON-OWNED AUTOS						\$
A	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR			SEO4892869	02/01/11	02/01/12	EACH OCCURRENCE \$ 5,000,000
	EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE		AGGREGATE \$ 5,000,000				
	DEDUCTIBLE						
	<input checked="" type="checkbox"/> RETENTION \$ 10,000						
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			WC4892864	02/01/11	02/01/12	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	<input type="checkbox"/> Y/N	E.L. EACH ACCIDENT \$ 1,000,000				
	If yes, describe under DESCRIPTION OF OPERATIONS below		E.L. DISEASE - EA EMPLOYEE \$ 1,000,000				
			E.L. DISEASE - POLICY LIMIT \$ 1,000,000				
B	Installation Float			83UUMRY9785	05/01/11	05/01/12	Per Job 100,000 deductibl 2,500

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Project: Oak Park River Forest High School
Additional insured with respect to General Liability only when required by written contract: Oak Park River Forest High School District 200; Pekron Consulting

CERTIFICATE HOLDER

CANCELLATION

OAKPA-7	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
Oak Park River Forest High School District 200 201 N. Scoville Avenue Oak Park, IL 60302	AUTHORIZED REPRESENTATIVE

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Oak Park and River Forest High School
District 200

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

TO: Board of Education

FROM: Tim Keeley

DATE: June 14, 2011

RE: Executive Summary for Marching Band Uniform Bid

BACKGROUND

On May 5, 2011, bids were solicited for 125 new marching band uniforms.

In concert with the Band Director, specifications were developed for a uniform that best meets the needs of the band program. Quality of product, functionality of product and value of product were all taken into consideration at this time. Each vendor was required to submit a sample uniform for review and consideration by the Band Director.

SUMMARY OF FINDINGS

<u>Vendor</u>	<u>Total Cost</u>
The Band Hall	\$34, 250.00
Fred J. Miller	\$34, 312.50
Fruhauf Uniforms	\$34, 337.50
Orefice, Ltd.	\$34, 368.75
The Band Mans	\$35, 268.75

RECOMMENDATIONS (OR FUTURE DIRECTIONS)

To award the contract to The Band Hall, the lowest responsible bidder at the regular Board meeting.

Oak Park and River Forest High School
District 200

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

TO: Board of Education

FROM: Lauren Smith, Director of Human Resources

DATE: June 14, 2011

Cc: Dr. Steven Isoye, Superintendent

RE: Minority Hiring Report

BACKGROUND

A request was received to provide information regarding our minority recruitment efforts.

SUMMARY

A comparison of the hiring for the 2009-2010 and 2010-2011 school years was completed. Please see attached. Overall the District hired 26 more employees during the 2010-2011 school year. The District increased its number of minorities in the categories of Asian, Black, and Hispanic. The comparison also breaks down this information by classification. You will see that the District remained flat in hiring of blacks in the certified group, while areas such as Administration, B&G, and Security showed an increase in black hires. The District showed the greatest gain in its minority hiring under the Asian category.

You also are being provided EEO reports for selected regular positions from our applicant system, Applitrack. It clearly identifies that the District is struggling to receive black applicants. It is important to note that the EEO report does not identify qualified candidates it only shows those that applied for a specific position.

This year the District met with the recruitment committee to re-establish its goal of recruiting qualified minority candidates. We will do targeted recruitment by attending jobs fairs that will target minorities. We have worked to establish relationship with colleges and sororities and fraternities. We will continue to measure our activities and start to exam the District's actions regarding workplace diversity.

Next Steps

Informational only.

2009-2010 Hiring Information		
Overall	24	Percentage
Asian	0	0%
Black	3	9%
Hispanic	5	22%
White	16	70%
Female	11	46%
Male	13	54%
Administration	2	
Asian	0	0%
Black	0	0%
Hispanic	0	0%
White	2	100%
Building and Grounds	3	
Asian	0	0%
Black	0	0%
Hispanic	2	67%
White	1	33%
Certified	9	
Asian	0	0%
Black	2	22%
Hispanic	3	33%
White	4	44%
Classified	9	
Asian	0	0%
Black	1	11%
Hispanic	1	11%
White	7	78%
Food Service	1	
Asian	0	0%
Black	0	0%
Hispanic	0	0%
White	1	100%
Non-certified	0	
Asian	0	0%
Black	0	0%
Hispanic	0	0%
White	0	0%
Security	0	
Asian	0	0%
Black	0	50%
Hispanic	0	25%
White	0	25%

2010-2011 Hiring Information		
Overall	50	Percentage
Asian	5	10%
Black	11	22%
Hispanic	6	12%
White	21	42%
Female	22	44%
Male	28	56%
Administration	7	
Asian	1	14%
Black	2	29%
Hispanic	0	0%
White	4	57%
Building and Grounds	5	
Asian	0	0%
Black	2	40%
Hispanic	1	20%
White	2	40%
Certified	18	
Asian	3	17%
Black	2	11%
Hispanic	3	17%
White	10	56%
Classified	11	
Asian	0	0%
Black	0	0%
Hispanic	0	0%
White	11	100%
Food Service	4	
Asian	0	0%
Black	2	50%
Hispanic	1	25%
White	1	25%
Non-certified	1	
Asian	0	0%
Black	1	100%
Hispanic	0	0%
White	0	0%
Security	4	
Asian	0	0%
Black	2	50%
Hispanic	1	25%
White	1	25%

Difference
48%
500%
267%
20%
31%
100%
115%
250%
100%
200%
0%
100%
67%
0%
200%
-50%
100%
100%
300%
0%
0%
150%
22%
0%
-100%
-100%
57%
300%
0%
200%
100%
0%
100%
100%
0%
0%
400%
0%
200%
100%
100%

EEO Reporting

Generating, Please wait...

Administration :: Assistant Principal for Instructional Administration (75 applicants)

Gender	Race/Ethnicity		
Chose No Response	1	1.3%	Asian or Pacific Islander 1 1.3%
Did Not Respond	1	1.3%	Black/African-American 17 22.7%
Female	29	38.7%	Chose No Response 3 4%
Male	44	58.7%	Did Not Respond 3 4%
			Hispanic 2 2.7%
			Not Hispanic 1 1.3%
			White 48 64%

Business Services :: Fiscal Clerk (29 applicants)

Gender	Race/Ethnicity		
Did Not Respond	2	6.9%	Black/African-American 10 34.5%
Female	26	89.7%	Chose No Response 3 10.3%
Male	1	3.4%	Did Not Respond 2 6.9%
			Hispanic 3 10.3%
			White 11 37.9%

Food Service (75 applicants)

Gender		Race/Ethnicity	
Did Not Respond	6	Asian or Pacific Islander	1
Female	38	Black/African-American	37
Male	31	Chose No Response	3
		Did Not Respond	6
		Hispanic	8
		Two or more races	1
		White	19

Food Service :: Head Cook (17 applicants)

Gender		Race/Ethnicity	
Did Not Respond	2	Black/African-American	8
Female	13	Chose No Response	1
Male	2	Did Not Respond	2
		Hispanic	2
		White	4

Maintenance/Custodial :: Custodian (241 applicants)

<u>Gender</u>		<u>Race/Ethnicity</u>	
Chose No Response	4	Asian or Pacific Islander	3
Did Not Respond	7	Black/African-American	93
Female	41	Chose No Response	8
Male	189	Did Not Respond	6
		Hispanic	26
		Two or more races	1
		White	104

Security (103 applicants)

<u>Gender</u>		<u>Race/Ethnicity</u>	
Chose No Response	4	Black/African-American	51
Did Not Respond	2	Chose No Response	7
Female	22	Did Not Respond	2
Male	75	Hispanic	11
		Two or more races	3
		White	29

Security :: Boys Locker Room (23 applicants)

Gender			Race/Ethnicity
Did Not Respond	1	4.3%	Black/African-American 9 39.1%
Male	22	95.7%	Did Not Respond 1 4.3%
			Hispanic 4 17.4%
			Two or more races 1 4.3%
			White 8 34.8%

Support Staff :: Administrative Assistant for Human Resources (33 applicants)

Gender			Race/Ethnicity
Chose No Response	1	3%	Asian or Pacific Islander 1 3%
Did Not Respond	2	6.1%	Black/African-American 10 30.3%
Female	27	81.8%	Chose No Response 4 12.1%
Male	3	9.1%	Did Not Respond 3 9.1%
			Hispanic 5 15.2%
			Not Hispanic 1 3%
			White 9 27.3%

Support Staff :: Teaching Assistant (291 applicants)

<u>Gender</u>		<u>Race/Ethnicity</u>	
Chose No Response	7	2.4%	2.4%
Did Not Respond	13	4.5%	27.5%
Female	165	56.7%	4.1%
Male	106	36.4%	5.5%
		Did Not Respond	16
		Hispanic	14
		Not Hispanic	1
		Two or more races	4
		White	157

Teaching :: Family/Consumer Science (7 applicants)

<u>Gender</u>		<u>Race/Ethnicity</u>	
Female	4	57.1%	14.3%
Male	3	42.9%	85.7%

Teaching :: German (19 applicants)

<u>Gender</u>		<u>Race/Ethnicity</u>	
Chose No Response	1	5.3%	10.5%
Female	15	78.9%	5.3%
Male	3	15.8%	84.2%
		Chose No Response	2
		Hispanic	1
		White	16

Teaching :: History (213 applicants)

Gender		Race/Ethnicity	
Chose No Response	4	Asian or Pacific Islander	2
Did Not Respond	5	Black/African-American	16
Female	78	Chose No Response	11
Male	126	Did Not Respond	6
		Hispanic	11
		Not Hispanic	1
		Two or more races	3
		White	163
			76.5%

Teaching :: Mathematics/Computer Science (131 applicants)

Gender		Race/Ethnicity	
Chose No Response	1	Asian or Pacific Islander	8
Did Not Respond	3	Black/African-American	2
Female	62	Chose No Response	1
Male	65	Did Not Respond	4
		Hispanic	6
		Two or more races	1
		White	109
			83.2%

Teaching :: RTI/Reading Intervention Specialist (25 applicants)

<u>Gender</u>		<u>Race/Ethnicity</u>			
Chose No Response	1	4%	Black/African-American	2	8%
Female	17	68%	Chose No Response	2	8%
Male	7	28%	Did Not Respond	1	4%
			Hispanic	3	12%
			Two or more races	1	4%
			White	16	64%

Teaching :: Science/Health Sciences (105 applicants)

<u>Gender</u>			<u>Race/Ethnicity</u>		
Chose No Response	5	4.8%	Asian or Pacific Islander	2	1.9%
Did Not Respond	2	1.9%	Black/African-American	5	4.8%
Female	59	56.2%	Chose No Response	8	7.6%
Male	39	37.1%	Did Not Respond	2	1.9%
			Hispanic	2	1.9%
			Two or more races	1	1%
			White	85	81%

Teaching :: Spanish (89 applicants)

<u>Gender</u>		<u>Race/Ethnicity</u>			
Chose No Response	3	3.4%	Asian or Pacific Islander	1	1.1%
Did Not Respond	1	1.1%	Black/African-American	2	2.2%
Female	62	69.7%	Chose No Response	9	10.1%
Male	23	25.8%	Did Not Respond	1	1.1%
			Hispanic	23	25.8%
			White	53	59.6%

Teaching :: Visual Arts (78 applicants)

Gender		Race/Ethnicity			
Chose No Response	6	7.7%	Asian or Pacific Islander	1	1.3%
Female	59	75.6%	Black/African-American	3	3.8%
Male	13	16.7%	Chose No Response	10	12.8%
			Hispanic	5	6.4%
			Two or more races	2	2.6%
			White	57	73.1%

Technology/Media Services :: Associate Data Analyst (12 applicants)

<u>Gender</u>			<u>Race/Ethnicity</u>	
Did Not Respond	2	16.7%	Black/African-American	3 25%
Female	7	58.3%	Chose No Response	1 8.3%
Male	3	25%	Did Not Respond	2 16.7%
			White	6 50%

Technology/Media Services :: Data Systems Analyst (11 applicants)

<u>Gender</u>			<u>Race/Ethnicity</u>	
Female	4	36.4%	Asian or Pacific Islander	2 18.2%
Male	7	63.6%	Black/African-American	3 27.3%
			White	6 54.5%

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

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

TO: Board of Education

FROM: Lauren Smith, Director of Human Resources

DATE: June 14, 2011

Cc: Dr. Steven Isoye, Superintendent

RE: M & I Plan Summary

BACKGROUND

This year the District outsourced its flexible spending services. A RFP was conducted and a vendor was chosen, M&I Benefit Services. The plan became effective 01/2011

SUMMARY

Attached for your review and approval is the summary plan document. This document has been reviewed internally and by our attorney.

Next Steps

Motion: Move to approve the plan summary document for M&I Benefit Services.

**OAK PARK AND RIVER FOREST
HIGH SCHOOL DISTRICT 200
FLEXIBLE BENEFITS PLAN**

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OAK PARK AND RIVER FOREST HIGH SCHOOL DISTRICT 200 FLEXIBLE BENEFITS PLAN

INTRODUCTION

Effective January 1, 2011, the Employer amends and restates the Plan known as the Oak Park and River Forest High School District 200 Cafeteria Benefit Plan. The Plan shall be known as the Oak Park and River Forest High School District 200 Flexible Benefits Plan (the "Plan").

This document is designed to qualify as a "Cafeteria Plan" within the meaning of Code Section 125, under which an Employee elects to receive benefits under the Plan as included or excludable from the Employee's income under Section 125(a) and other applicable Code Sections. Portions of this document also reflect individual component plans designed to separately qualify as: (1) a Medical Reimbursement Plan under Code Section 105; (2) a Premium Conversion Plan under Code Section 106; and (3) a Dependent Care Assistance Plan under Code Section 129.

ARTICLE I DEFINITIONS

- 1.1. **"Administrator"** means Oak Park and River Forest High School District 200, or the Committee, individual(s) or School District appointed by the Employer to carry out the administration of the Plan. In the event an Administrator has not been appointed, or resigns from a prior appointment, the Employer shall be deemed to be the Administrator.
- 1.2. **"Affiliated Employer"** means the Employer and any corporation that is a member of a controlled group of corporations (as defined in Code Section 414{b}) that includes the Employer; any trade or business (whether or not incorporated) that is under common control (as defined in Code Section 414{c}) with the Employer; any organization (whether or not incorporated) that is a member of an affiliated service group (as defined in Code Section 414{m}) that includes the Employer; and any other entity required to be aggregated with the Employer pursuant to Treasury regulations under Code Section 414(o).
- 1.3. **"Benefit"** means any of the optional benefit choices available to a Participant as outlined in Section 4.1.
- 1.4. **"Cafeteria Plan Benefit Dollars"** means the amount available to Participants, pursuant to Article III, to purchase Benefits. Each dollar contributed to this Plan shall be converted to one Cafeteria Plan Benefit Dollar.
- 1.5. **"Code"** means the Internal Revenue Code of 1986, as amended or replaced from time to time.
- 1.6. **"Compensation"** means the total cash remuneration received by the Participant from the Employer during a Plan Year prior to any Salary Redirection Agreement reductions authorized here under. Compensation shall include overtime, commissions, and bonuses.

- 1.7. **“Dependent”** means any individual who is a dependent of the Participant as defined in Code Section 152 except that: (a) dependent status shall be determined without regard to subsections (b)(1), (b)(2) and (d)(1)(B) of Section 152; (b) for purposes of accident or health coverage, any child to whom Code Section 152(e) applies (regarding a child of divorced parents, etc, where one or both parents have custody of the child for more than half of the calendar year and where the parents together provide more than half of the child's support for the year) is treated as a dependent of both parents; (c) for purposes of accident or health coverage, any adult child to whom Code §152(f)(1) applies is treated as a dependent through the last day of the month following the adult child's 26th birthday; and (d) for purposes of the Dependent Care Assistance Program, a dependent means a qualifying individual as defined in Code Section 21(b)(1) with respect to the Participant and in the case of divorced parents, the child shall, as provided in Code Section 21(e)(5), be treated as a qualifying individual of the custodial parent (within the meaning of Code Section 152(e)(3)(a) (or (4)(a) if statute or regulation interprets or corrects the error in the statutory language)), and shall not be treated as a qualifying individual with respect to the non-custodial parent. Notwithstanding the foregoing, the Health Care Reimbursement Plan will provide benefits in accordance with the applicable requirements of any qualified medical child support order, as defined in ERISA 609(a), even if the child does not meet the definition of "dependent".
- 1.8. **“Effective Date”** The plan is amended and restated effective January 1, 2011.
- 1.9. **“Election Period”** means the period immediately preceding the beginning of each Plan Year established by the Administrator, such period to be applied on a uniform and nondiscriminatory basis for all Employees and Participants. However, an Employee's initial Election Period shall be determined pursuant to Section 5.1.
- 1.10. **“Eligible Employee”** means an Employee regularly scheduled to work twenty (20) hours per week, who is eligible under the Employer's group health plan, and who has satisfied the provisions of Section 2.1. Occasional or contract employees are not eligible for this benefit.
- 1.11. **“Employee”** means any person who is employed by the Employer, but excludes any person who performs services as an independent contractor and does not include leased employees within the meaning of Code Section 414(n)(2). Any classification, reclassification or other characterization of any such individual as an employee of the Employer, whether as a statutory or common law employee, by a court of law or by action of any federal, state or local governmental agency shall be of no effect on the exclusion of such individual from participation in the plan.
- 1.12. **“Employer”** means Oak Park and River Forest High School District 200 and any affiliated employer that shall adopt this Plan; any successor that shall maintain this Plan; and any predecessor that has maintained this Plan.
- 1.13. **“Employer Contribution”** means the contributions made on behalf of a Participant by the Employer. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the insured or self-funded Benefits established under the Plan pursuant to the Participants' elections made under Article V.

- 1.14. **“ERISA”** means the Employee Retirement Income Security Act of 1974, as amended from time to time.
- 1.15. **“Highly Compensated Employee”** means, for the purposes of determining discrimination, an Employee described in Code Section 414(q) and the Treasury regulations there under.
- 1.16. **“Insurance Contract”** means any contract issued by an Insurer underwriting a Benefit.
- 1.17. **“Insurer”** means any insurance company that underwrites a Benefit under this Plan or, with respect to any self-funded benefits, the Employer.
- 1.18. **“Key Employee”** means an employee defined in Code Section 416(i)(I) and the Treasury regulations there under.
- 1.19. **“Participant”** means any Eligible Employee who elects to become a Participant pursuant to Section 2.3 and has not for any reason become ineligible to participate further in the Plan.
- 1.20. **“Plan”** means this instrument, including all amendments thereto.
- 1.21. **“Plan Year”** means the 12-month period beginning January 1 and ending December 31. The Plan Year shall be the coverage period for the Benefits provided under this Plan. In the event a Participant commences participation during a Plan Year, then the initial coverage period shall be that portion of the Plan Year commencing on such Participant's date of entry and ending on the last day of such Plan Year.
- 1.22. **“Premium Expenses”** or **“Premiums”** mean the Participant's cost for the self-funded or insured benefits described in Section 4.1.
- 1.23. **“Premium Reimbursement Account”** means the account established for a Participant pursuant to this Plan to which part of the Cafeteria Plan Benefit Dollars may be allocated and from which Premiums of the Participant may be paid or reimbursed. If more than one type of insured or self-funded Benefit is elected, a sub-account shall be established for each type of insured Benefit.
- 1.24. **“Salary Redirection”** means the contributions made by the Employer on behalf of Participants pursuant to Section 3.1. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the accounts established under the Plan pursuant to the Participants' elections made under this Plan.
- 1.25. **“Salary Redirection Agreement”** means an agreement between the Participant and the Employer under which the Participant agrees to reduce his Compensation or to forego all or part of the increases in such Compensation and to have such amounts contributed by the Employer to the Plan on the Participant's behalf. The Salary Redirection Agreement shall apply only to Compensation that has not been actually or constructively received by the Participant as of the date of the agreement (after taking this Plan and Code Section 125 into account) and, subsequently does not become currently available to the Participant.

- 1.26. **“Spouse”** means the legally married husband or wife of a Participant (and who is treated as a spouse under the Code), unless legally separated by court decree.

ARTICLE II

PARTICIPATION

2.1 ELIGIBILITY

Any Eligible Employee shall be entitled to make an election to participate hereunder upon the first day of employment. Any Eligible Employee who was a Participant in the Plan on the effective date of this amendment shall continue to be eligible to participate in the Plan.

If a former Participant is rehired during the same Plan Year in which termination of employment occurs and the former Participant qualifies as an Eligible Employee, such former Participant shall be eligible for Salary Redirection pursuant to Section 2.6.

2.2 EFFECTIVE DATE OF PARTICIPATION

An Eligible Employee who makes an initial election to participate under Section 5.1 shall become a Participant in the Plan effective as of the date on which such Employee met the requirements of Section 2.1 and returned a properly completed election form.

An Eligible Employee who makes an election to participate under Section 5.2 shall become a Participant in the Plan effective as of the first day of the Plan Year following such election, provided the requirements for participation under Section 5.2 are satisfied during the applicable Election Period.

Notwithstanding the foregoing, an Eligible Employee shall become a Participant with respect to the insured Benefits effective as of the entry date under the Employer's group medical plan.

2.3 APPLICATION TO PARTICIPATE

An Employee who is eligible to participate in this Plan shall, during the applicable Election Period, complete an application to participate and make an election of benefits that the Administrator shall furnish to the Employee. The election made on such form shall be irrevocable until the end of the applicable Plan Year unless the Participant is entitled to change his Benefit elections pursuant to Section 5.4 hereof.

An Eligible Employee shall also be required to execute a Salary Redirection Agreement during the Election Period for the Plan Year during which he wishes to participate in this Plan. Any such Salary Redirection Agreement shall be effective beginning on the Employee's effective date of participation pursuant to Section 2.2.

Notwithstanding the foregoing, an Employee who is eligible to participate in this Plan and who is covered by the Employer's insured or self-funded Benefits under this Plan shall automatically become a Participant to the extent of the Premiums for such insurance unless the Employee elects, during the Election Period, not to participate in the Plan.

2.4 **TERMINATION OF PARTICIPATION**

A Participant shall cease to be a Participant in this Plan upon the earlier of:

- (a) The expiration of the Plan Year for which the Employee elected to Participate, unless the Participant makes a timely election to continue participation subject to Section 2.3.
- (b) The date on which the Employee ceases to be an employee eligible to participate under Section 2.1 because of retirement, termination of employment subject to provisions of Section 2.6, layoff, reduction in hours subject to Section 2.5, death subject to Section 2.7 or any other reason.
- (c) The date the Participant revokes an election to participate under a circumstance when such change is permitted under the terms of this plan, or
- (d) The termination of this Plan, subject to the provisions of Section 10.2.

Participation under insured Benefits will cease as of the date specified by the specific health insurance plan.

2.5 **CHANGE OF EMPLOYMENT STATUS**

If a Participant ceases to be an Eligible Employee because of a change in employment status or classification (other than through termination of employment), the Participant shall become a limited Participant in this Plan for the remainder of the Plan Year in which such change of employment status occurs. As a limited Participant, no further Salary Redirection may be made on behalf of the Participant, and except as otherwise provided herein, all further Benefit elections shall cease, subject to the limited Participant's right to continue coverage under the individual health benefits. Without continuation coverage, any balance in the limited Participant's Health Care Reimbursement Plan may be used to reimburse the limited Participant for any allowable Medical Expenses incurred during the portion of the Plan Year during which he was an Eligible Employee (except as otherwise provided in Section 2.6(c)(1)). The limited Participant's Dependent Care Assistance Program balance may be used during such Plan Year to reimburse the limited Participant for any allowable Employment-Related Dependent Care Expenses incurred during the Plan Year. Subject to the provisions of Section 2.6, if the limited Participant later becomes an Eligible Employee, then the limited Participant may again become a full Participant in this Plan, provided he otherwise satisfies the participation requirements set forth in this Article II as if he were a new Employee and made an election in accordance with Section 5.1.

2.6 **TERMINATION OF EMPLOYMENT**

If a Participant's employment with the Employer is terminated for any reason other than death, his participation in the Plan shall be governed in accordance with the following:

- (a) With regard to Insurance Benefits provided under Section 4.1, the Participant's participation in the Plan shall cease, subject to the Participant's right to continue coverage under any Insurance Contract for which premiums have already been paid.
- (b) With regard to the Dependent Care Assistance Program, the Participant's participation in the Plan shall cease and no further Salary Redirection contributions shall be made. However, such Participant may request reimbursement for any qualified Employment-Related Dependent Care Expenses per Section 7.2(d), incurred during the Participant's coverage period and continuing through the end of the Plan Year in which the termination occurs, based on the level of the Dependent Care Assistance Account as of the date of termination.
- (c) With regard to the Health Care Reimbursement Plan, participation in the Plan shall cease and no further Salary Redirection contributions shall be made. If the Administrator chooses, coverage may be extended beyond the date of termination if done on a uniform and consistent basis. Notwithstanding, the following shall also apply:
 - (1) If the Participant elects to continue participation in the Health Care Reimbursement Plan to the extent required under Code Section 4980B and Section 11.13 of the Plan as set forth herein, the Participant may continue to seek reimbursement from the Health Care Reimbursement Fund based on the elections made prior to the beginning of the Plan Year. However, such contributions after termination of employment shall be with after-tax dollars instead of Salary Redirections.
 - (2) If the Participant does not elect to continue participation in the Health Care Reimbursement Plan for the remainder of the Plan Year in which such termination occurs, participation in the Plan shall cease and no further Salary Redirection contributions shall be made. However, such Participant may submit claims for expenses incurred through the last day of the month following the date of termination.
 - (3) No Participant will be allowed to continue coverage under Code Section 4980B in accordance to Section 11.13 unless the Participant's maximum unpaid contributions are less than or equal to the Participant's maximum Health Care Reimbursement Plan benefits for the remainder of the Plan Year. Even if a Participant may continue coverage under Code Section 4980B (as stated in Section 11.13 of the Plan) through the application of the preceding sentence, the Participant may not continue such coverage during any subsequent Plan Year.
- (d) In the event a Participant terminates his participation in the Health Care Reimbursement Plan during the Plan Year, if Salary Redirections are made other than on a pro rata basis, upon termination the Participant shall be entitled to a reimbursement for any Salary Redirection previously paid for coverage or benefits

relating to the period after the date of the Participant's separation from service regardless of the Participant's claims or reimbursements as of such date.

- (e) This Section shall be applied and administered consistent with such further rights a Participant and his Dependents may acquire pursuant to Code Section 4980B and Section 11.13 of the Plan.

2.7 DEATH

If a Participant dies, his participation in the Plan shall cease. However, such Participant's beneficiaries, or the representative of his estate, may submit claims for any allowable medical expenses incurred during the portion of the Plan Year preceding the Participant's death (except as otherwise provided in Section 2.6(c)(1)), or Employment-Related Dependent Care Expenses incurred during the Plan Year. A Participant may designate a specific beneficiary for this purpose. If no such beneficiary is specified, the Administrator may designate the Participant's Spouse, one of his Dependents or a representative of his estate.

ARTICLE III CONTRIBUTIONS TO THE PLAN

3.1 SALARY REDIRECTION

Benefits under the Plan shall be financed by Salary Redirections sufficient to support the cost of Benefits that a Participant has elected hereunder. The amount of the Salary Redirection shall be specified in the Salary Redirection Agreement and shall be applicable for a Plan Year. Notwithstanding the above, for new Participants, the Salary Redirection agreement shall only be applicable from the first day of coverage following the Employee's entry date up to and including the last day of the Plan Year. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the funds or accounts established under the Plan pursuant to the Participants' elections made under Article V.

Any Salary Redirection shall be determined prior to the beginning of a Plan Year (subject to initial elections pursuant to Section 5.1) and prior to the end of the Election Period, and shall be irrevocable for such Plan Year. However, a Participant may revoke a Benefit election or a Salary Redirection Agreement after the Plan Year has commenced and make a new election with respect to the remainder of the Plan Year, if both the revocation and the new election are on account of and consistent with a change in work or family status or such other permitted events as determined under Article V of the Plan and consistent with the rules and regulations of the Department of the Treasury. Salary Redirection amounts shall be contributed on a pro rata basis for each pay period during the Plan Year. All individual Salary Redirection Agreements are deemed to be part of this Plan and incorporated by reference hereunder.

3.2 EMPLOYER CONTRIBUTIONS

The Employer may, but is not required to, make Employer Contributions to one or more of the Benefit Options under the Plan on behalf of each qualifying Participant. An employee who qualifies for the Employer Contribution, but is not a Participant under the Plan, may be

required to enroll in the Plan at the time of qualification to receive the Employer Contribution as a Participant under the Plan. Enrollment will be performed and Employer Contributions will be provided as set forth in the enrollment materials to the sole discretion of the Employer.

3.3 **APPLICATION OF CONTRIBUTIONS**

As soon as reasonably practical after each payroll period, the Employer shall apply the Salary Redirection and Employer Contribution, if any, to provide the Benefits elected by the affected Participants. Any contribution made or withheld for the Health Care Reimbursement Fund or Dependent Care Assistance Account shall be credited to such fund or account. Amounts designated for the Participant's Premium Expense Reimbursement Account shall likewise be credited to such account for the purpose of paying Premium Expenses.

3.4 **PERIODIC CONTRIBUTIONS**

Notwithstanding the requirement provided above and in other Articles of this Plan that Salary Redirections be contributed to the Plan by the Employer on behalf of an Employee on a level and pro rata basis for each payroll period. The Employer and Administrator may implement a procedure in which Salary Redirections are contributed throughout the Plan Year on a periodic basis that is not pro rata for each payroll period. However, with regard to the Health Care Reimbursement Plan, the payment schedule for the required contributions may not be based on the rate or amount of reimbursements during the Plan Year. In the event Salary Redirections are not made on a pro-rata basis, upon termination of participation, a Participant may be entitled to a refund of such Salary Redirections pursuant to Section 2.6(d).

ARTICLE IV **BENEFITS**

4.1 **BENEFIT OPTIONS**

Each Participant may elect to have the amount of his Cafeteria Plan Benefit Dollars applied to any one or more of the following optional Benefits:

- (1) Health Care Reimbursement Plan
- (2) Dependent Care Assistance Program
- (3) Cash Benefit (i.e. Compensation that a Participant elected, or was deemed to have elected, to receive as a taxable cash benefit in lieu of other non-taxable benefits available under this Plan.)

In addition, each Participant shall have a sufficient portion of his Cafeteria Plan Benefit Dollars applied to the following insured benefits unless the Participant elects not to receive such benefits:

- (4) Health Insurance Benefit

- (5) Dental Insurance Benefit
- (6) Vision Insurance Benefit
- (7) Group Term Life Insurance

4.2 **HEALTH CARE REIMBURSEMENT PLAN BENEFIT**

Each Participant may elect coverage under the Health Care Reimbursement Plan Option, in which case Article VI shall apply.

4.3 **DEPENDENT CARE ASSISTANCE PROGRAM BENEFIT**

Each Participant may elect coverage under the Dependent Care Assistance Program option, in which case Article VII shall apply.

4.4 **CASH BENEFIT**

If a Participant does not elect any Salary Redirections, such Participant shall be deemed to have chosen the Cash Benefit (or was not deemed to have elected) as his sole Benefit option.

4.5 **HEALTH INSURANCE BENEFIT**

- (a) Each Participant may elect to be covered under the Employer's Health and Hospitalization Insurance Contract for the Participant, his or her spouse, and his or her Dependents. The Employer may select suitable Health and Hospitalization Insurance Contracts for use in providing this health insurance benefit, which policies will provide uniform benefits for all Participants electing this Benefit.
- (b) The rights and conditions with respect to the benefits payable from such Health and Hospitalization Insurance Contract shall be determined there from, and such Insurance Contract shall be incorporated herein by reference.

4.6 **DENTAL INSURANCE BENEFIT**

- (a) Each Participant may elect to be covered by the Employer's Dental Insurance Contract. The Employer may select suitable Dental Insurance Contracts for use in providing this Dental insurance benefit, for which the policies will provide uniform benefits for all Participants electing this Benefit.
- (b) The rights and conditions with respect to the benefits payable from such Dental Insurance Contract shall be determined there from, and such Dental Insurance Contract shall be incorporated herein by reference.

4.7 **VISION INSURANCE**

- (a) Each Participant may elect to be covered under the Employer's Vision Insurance Contract. The Employer may select suitable Vision Insurance Contracts for use in providing his vision Benefit, for which the policies will provide benefits for all Participants electing this Benefit on a uniform basis.

- (b) The rights and conditions with respect to the Benefits payable from such Vision Insurance Contract shall be determined there from, and such Vision Insurance Contract shall be incorporated herein by reference.

4.8 **GROUP-TERM LIFE INSURANCE BENEFIT**

- (a) Each Participant may elect to be covered by the Employer's Group-Term Life Insurance Contract. However, the amount of coverage hereunder on behalf of any Participant may not exceed \$50,000. The Employer may select suitable Group-Term Life Insurance Contracts for use in providing this group-term life insurance benefit, for which the policies will provide benefits for all Participants electing this Benefit on a uniform basis.
- (b) The rights and conditions with respect to the benefits payable from such Group-Term Life Insurance Contract shall be determined therefrom, and such Group-Term Life Insurance Contract shall be incorporated herein by reference.

4.9 **NONDISCRIMINATION REQUIREMENTS**

- (a) It is the intent of this Plan to provide benefits to a classification of employees that the Secretary of the Treasury finds not to be discriminatory in favor of the group in whose favor discrimination may not occur under Section 125.
- (b) It is the intent of this Plan not to provide qualified benefits as defined under Code Section 125 to Key Employees in amounts that exceed 25% of the aggregate of such Benefits provided for all Eligible Employees under the Plan. For purposes of the preceding sentence, qualified benefits shall not include benefits that (without regard to this paragraph) are included in gross income.
- (c) If the Administrator deems it necessary to avoid discrimination or possible taxation to Key Employees or a group of employees in whose favor discrimination may not occur in violation of Code Section 125, it may, but shall not be required to, reduce contributions or non-taxable Benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reduce contributions or non-taxable benefits, it shall be done in the following manner. First, the non-taxable Benefits of the affected Participant (either an employee who is highly compensated or a Key Employee, whichever is applicable) who has elected the highest amount of non-taxable Benefits for the Plan Year shall have his non-taxable benefits reduced until the discrimination tests set forth in this Section are satisfied or until the amount of his non-taxable Benefits equals the non-taxable Benefits of the affected Participant who has elected the second highest amount of non-taxable Benefits. This process shall continue until the nondiscrimination tests set forth in this Section are satisfied. With respect to any affected Participant who has had Benefits reduced pursuant to this Section, the reduction shall be made proportionately among Health Care Reimbursement Plan Benefits and Dependent Care Assistance Program benefits, and once all these Benefits are expended,

proportionately among insured Benefits. Contributions not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited and deposited into the benefit plan surplus.

ARTICLE V PARTICIPANT ELECTIONS

5.1 INITIAL ELECTIONS

An Employee who meets the eligibility requirements of Section 2.1 will have an additional 30 days from the date he or she becomes an Eligible Employee to elect participation in this Plan for all or the remainder of such Plan Year in accordance to Section 2.3. Participation in the Plan shall not be effective until after receipt of the Participant's election pursuant to Section 2.2 and shall be limited to Benefit expenses incurred for the balance of the Plan Year for which the election is made.

If such Eligible Employee fails to make such election or satisfy such requirements within this 30 day initial Election Period, such Eligible Employee will be deemed to have elected not to participate in the Plan for all or the remainder of the Plan Year. Section 5.2 will be applicable with regard to subsequent annual elections to participate in the Plan.

Notwithstanding the foregoing, an Employee who is eligible to participate in this Plan and who is covered by the Employer's insured or self-funded benefits under this Plan shall automatically become a Participant to the extent of the Premiums for such insurance unless the Employee elects, during the Election Period, not to participate in the Plan.

If a former Participant is rehired to an Eligible Employee position during the same Plan Year in which termination of employment occurred and that Participant's prior coverage was terminated, the following shall apply:

- (a) If the Employee meets an Eligible Employee status within 30 days or less of the termination of employment the Participant shall be reinstated with the same Benefit election such Participant had prior to termination without loss of coverage. Salary Redirection for the Health Care Reimbursement Plan and Dependent Care Assistance Program for the remainder of the Plan Year will be in an amount equal to the prior Benefit Election for the Plan Year less prior Plan Year Benefit contributions subject to the Participant's right to change his Benefit Elections pursuant to Section 5.4.
- (b) If the Employee meets the Eligible Employee status 30 days or more after termination of employment the Participant shall be entitled to make a new Benefit Election in accordance to Section 2.2 and Section 2.3. The new Benefit Election and Salary Redirection for non-insured Benefits for the remainder of the Plan Year may not exceed the difference of the maximum account allowance less the prior Benefit elections for that Plan Year.

5.2 SUBSEQUENT ANNUAL ELECTIONS

During the Election Period prior to each subsequent Plan Year, each Participant (and each Eligible Employee who elected not to participate in the Plan in the prior Plan Year) shall be given the opportunity to make a Benefit election regarding Plan Benefits for the next Plan Year. The Participant or Eligible Employee must make such an election and satisfy the requirements of Section 2.3 during the Election Period. Any such election shall be effective for any Benefit expenses incurred during the Plan Year, which follow the end of the Election Period. With regard to subsequent annual elections, the following options shall apply:

- (a) A Participant or Eligible Employee who failed to initially elect to participate may elect different or new Benefits under the Plan during the Election Period;
- (b) A Participant may terminate his participation in the Plan by notifying the Administrator in writing during the Election Period that he does not want to participate in the Plan for the next Plan Year;
- (c) An Employee who elects not to participate for the Plan Year following the Election Period will have to wait until the next Election Period before again electing to participate in the Plan, with respect to the Health Care Reimbursement Plan and the Dependent Care Assistance Program, unless such Employee is entitled to make a Change of Election pursuant to Section 5.4.
- (d) Participants with insured benefit coverage shall be automatically enrolled with the same coverage for the subsequent Plan Year unless the Participant elects, during the Election Period, not to participate in the Plan or to change the benefit election for the new Plan Year.

5.3 FAILURE TO ELECT

Any Participant who fails to complete a new benefit election form pursuant to Section 5.2 by the end of the applicable Election Period shall be treated in the following manner:

- (a) With regard to Benefits available under the Plan for which no Premium Expenses apply, such Participant shall be deemed to have elected not to participate in the Plan for the upcoming Plan Year. No further Salary Redirections shall therefore be authorized or made for subsequent Plan Year for such Benefits.
- (b) With regard to Benefits available under the Plan that are insured and for which Premium Expenses apply, such Participant shall be deemed to have made the same Benefit elections as then in effect for the current Plan Year. The Participant shall also be deemed to have elected Salary Redirection in an amount necessary to purchase such insured Benefit options.

5.4 CHANGE OF ELECTION

A Participant may change a Benefit election up to five (5) times during the Plan Year to which such election relates and make a new Benefit election with respect to the remainder of such Plan Year if, under the facts and circumstances, the changes are necessitated by and consistent with change of election events acceptable under the rules and regulations adopted by the Department of the Treasury, the provisions of which are incorporated by reference. However, no Participant shall be allowed to reduce an election for Health Care Reimbursement or Dependent Care Assistance Benefits to a point where the annualized contribution for such benefit is less than the amount already reimbursed. Notwithstanding anything herein to the contrary, if the rules and regulations of the Internal Revenue Service, Department of Labor, or any other governmental entity conflict with the terms of the Plan, then the rules and regulations of the Internal Revenue Service, Department of Labor, or other governmental entity shall control.

An election change is considered consistent if the qualifying event affects eligibility under an Employer's Plan, and that same event results in an increase or decrease in the number of family members who may benefit from coverage under the Plan. A new election form must be completed by the Participant and returned to the Plan Administrator within 30 days from the date of the event. The qualifying event must directly affect coverage for the individual the change in election is made for. In addition, if the Participant, Spouse or Dependent gains eligibility for coverage under a family member's plan as a result of a change in marital status or a change in employment status, then a Participant's election change to cease or decrease coverage for that individual corresponds with that change in status only if coverage for that individual becomes applicable or is increased under the family member plan.

The Participant may increase or decrease Group Term Life Insurance coverage if the Participant experiences a change in marital status or a change in employment status of the spouse or a dependent, even though eligibility under the plan is not gained or lost as a result of the event.

Regardless of the consistency requirement, if the Participant, the Participant's spouse, or dependent becomes eligible for continuation coverage under the Employer's group health plans as provided in Code Section 4980B or any similar state law and the Participant retains eligibility under the Cafeteria Plan hereunder, the Participant may use Salary Redirection under this Plan to pay for the continuation coverage.

Any new election shall be effective at such time as the Administrator shall prescribe on a uniform and non-discriminatory basis, but not earlier than the day a new election form is received by the Administrator, notwithstanding special enrollment rights provided for in Code Section 9801(f). For the purposes of this subsection, a change in election shall include the following events or other events permitted by Treasury regulations:

- (a) *Change in Status.* A Participant may change or terminate an actual or deemed election under the Plan upon the occurrence of a Change in Status, but only if such change or termination is made on account of and corresponds with a Change in Status that affects coverage eligibility of a Participant, Participant's Spouse, or Dependent. The Plan Administrator (in its sole discretion) shall determine, based on prevailing IRS guidance, whether a requested change is on account of and corresponds with a Change in Status. Assuming the general consistency requirement is satisfied, a requested change must also satisfy the following specific consistency requirements in order for a Participant to be able to alter an election based on that change.
- (1) Legal Marital Status: Events that change a Participant's legal marital status, including marriage, divorce, death of a spouse, legal separation or annulment;
 - (2) Number of Dependents: Events that change a Participant's number of dependents, including birth, adoption, placement for adoption, or death of a dependent;
 - (3) Employment Status: Any of the following events that change the employment status of the Participant, spouse, or dependent: termination or commencement of employment, a strike or lockout, commencement or return from an unpaid leave of absence, incurring a significant reduction or increase in hours of employment, or a change in work site. In addition, if the eligibility conditions of this Plan or other employee benefit plan of the Employer of the Participant, spouse, or dependent depend on the employment status of that individual and there is a change in that individual's employment status with the consequence that the individual becomes (or ceases to be) eligible under the plan, then that change constitutes a change in employment under this subsection;
 - (4) Dependent Satisfies or Ceases to Satisfy the Eligibility Requirements: An event that causes the Participant's dependent to satisfy or cease to satisfy the requirements for coverage due to attainment of age, student status, or any similar circumstance. For the Dependent Care Assistance Program, a dependent becoming or ceasing to be a "Qualifying Dependent" as defined under Code Section 21(b) qualified as a change in status; and
 - (5) Residency: A change in the place of residence of the Participant, the Participant's Spouse or Dependent allows the Participant to change or drop insured Benefits.

- (b) *HIPAA Special Enrollment Rights.* If a Participant, Spouse, or Dependent is entitled to a special enrollment right under a group health plan, as required by Code Section 9801(f), then the Participant may revoke a prior election for health or accident coverage and make a new election (including salary reduction), provided the election corresponds with such special enrollment rights. A special enrollment right might arise if medical coverage was declined for the Employee, Spouse or Dependent under the group health plan because of outside medical coverage and eligibility for such coverage is subsequently lost due to legal separation, divorce, death, termination of employment, reduction in hours, or exhaustion of the maximum COBRA period, or if a new Dependent is acquired. For purposes of this provision, (1) an election to prospectively add previously eligible Dependents as a result of the acquisition of a new Spouse or Dependent child shall be considered to be consistent with the special enrollment right; and (2) a HIPAA special enrollment election attributable to the birth or adoption of a new Dependent child may, subject to the provisions of the underlying group health plan, be effective retroactively (up to 30 days). Effective April 1, 2009, employees and dependents who are eligible but not enrolled may enroll upon the occurrence of an event described in Internal Revenue Code Section 9801(f)(3) (relating generally to certain losses of coverage under Medicaid or state child health plans or eligibility for employment assistance under such plans), but further subject to the limitations set forth in that portion of the Code Section (e.g. timing of request for coverage). This Section 5.2(b) shall be interpreted according to administrative and judicial governmental guidance issued currently or in the future.
- (c) *Certain Judgments, Decrees and Orders.* Notwithstanding subsection (a), if a judgment, decree, or order resulting from a divorce, legal separation, annulment, or change in legal custody (including a qualified medical child support order defined in ERISA Section 609) requires accident or health coverage for a Participant's Dependent child (including a foster child who is a dependent), a Participant may:
- (1) Elect to add or increase coverage if an order requires the Participant to cover a Dependent; or
 - (2) Decrease or cancel coverage for the child if the order requires the Participant's spouse, former spouse or another individual to cover the Dependent, and the Dependent actually becomes covered under the Plan of the spouse, former spouse or other individual.
- (d) *Medicare and Medicaid.* Notwithstanding subsection (a), if a Participant, Spouse or Dependent who is enrolled in an accident or health benefit under this Plan becomes entitled to Medicare or Medicaid (other than coverage consisting solely of benefits under Section 1928 of the Social Security Act program for distribution of pediatric vaccines), the Participant may prospectively reduce or cancel the health or accident coverage of the person becoming entitled to coverage. Furthermore, if the Participant, Spouse, or Dependent entitled to Medicare or Medicaid loses eligibility for such coverage, then the Participant may prospectively elect to commence or increase the health or accident coverage.

- (e) *Change in Cost.* A Participant shall not be permitted to change an election to the Health Care Reimbursement Plan as a result of a change under this subsection.
- (1) *Automatic Decrease or Increase.* If the Participant's share of the premium decreases during a Plan Year or insignificantly increases, then the Salary Redirections under each affected Participant's election shall be retrospectively adjusted to reflect such change. The Plan Administrator will decide, in accordance with prevailing IRS guidance, whether increases in costs are "insignificant" based upon all surrounding facts and circumstance (including, but not limited to, the dollar amount or percentage of the cost change).
 - (2) *Significant Cost Increase.* If the Participant's cost of a benefit package option increases significantly, attributable to action by the Employee or the Employer, the Administrator shall permit the affected Participants to either make corresponding changes in their payments or revoke their election and, in lieu thereof, receive on a prospective basis coverage under another benefit package option with similar coverage. If the increase is deemed to be significant and no other similar coverage is available, the Participant may drop coverage. The Plan Administrator will decide, in accordance with prevailing IRS guidance, which defines similar coverage to be coverage for the same category of benefits for the same individual, whether a substitute Benefit package constitutes "similar coverage" based upon all surrounding facts and circumstances.
 - (3) *Significant Cost Decrease.* If the Participant's cost of a benefit package option decreases significantly during a Plan Year, Employees who had not previously enrolled may enroll and Participants who elected another option providing similar coverage may revoke their current coverage election and elect the option that has decreased in cost since the coverage period commenced if permitted under each respective insured Benefit.
 - (4) *Dependent Care Plan Change in Cost Limitation.* A "change in cost" provision applies to the Dependent Care Assistance Program only if the cost change is imposed by a service provider who is not a "relative" of the Participant by blood or marriage, as defined in Proposed Treas. Reg. Section 1.125-4(f)(2)(iii).
- (f) *Change in Coverage.* A Participant shall not be permitted to change an election to the Health Care Reimbursement Plan as a result of a change under this subsection.
- (1) *Significant Curtailment or Cessation of Coverage.* If the coverage under a Benefit is deemed by the Administrator to be significantly curtailed or ceases during a Plan Year, affected Participants may revoke their elections of such Benefit and, in lieu thereof, elect to receive on a prospective basis coverage under another plan with similar coverage. Accident and health plan coverage is deemed "significantly curtailed" only if there is an overall reduction in coverage, which reduces coverage to all Participants in general. If a significant

curtailment does not result in a loss of coverage, alternate coverage can be elected, but coverage cannot be dropped. If the curtailment results in a loss of coverage, the election can be dropped, but only if no other benefit option for similar coverage is available.

The Plan Administrator will decide, in accordance with prevailing IRS guidance which states that a significant curtailment of coverage includes a significant increase in deductible; significant increase in co-payments; and a significant increase in the out-of-pocket cost sharing amounts under the Plan, whether curtailment is “significant” and whether a substitute benefit option constitutes “similar coverage” based upon all surrounding facts and circumstances. The Plan Administrator will also decide, in accordance with prevailing IRS guidance, what constitutes a “loss of coverage” based on final regulations stating plan sponsors may consider the following events: a substantial decrease in the medical providers available under the option; a reduction in benefits for a specific type of medical condition for which treatment is being received; and any similar fundamental loss of coverage.

- (2) *Addition or Elimination of Benefit Package Option Providing Similar Coverage.* If, during the Plan Year the Plan adds or eliminates a benefit package option or other coverage option, then affected Participants may elect the newly-added option (or elect another option if an option has been eliminated) prospectively and make corresponding election changes with respect to other benefit package options providing similar coverage. If the Plan significantly improves a Benefit, Participants who elected other Benefit Options and Employees who are not enrolled, may elect the Benefit if allowed on each respective insured plan. The Plan Administrator will decide, in accordance with prevailing IRS guidance, whether other benefit options constitute “similar coverage” based upon all surrounding facts and circumstances.
- (3) *Change in Coverage of Spouse or Dependent Under Another Employer’s Plan.* A Participant may make a prospective election change that corresponds with changes made under any Employer’s cafeteria or qualified benefits plan, so long as (a) the Spouse’s or Dependent’s plan permits the change and the change is permitted under Code Section 125 or (b) the Spouse or Dependent makes the change during an annual enrollment period that occurs in the middle of the Participant’s Plan Year. The Plan Administrator will decide, in accordance with prevailing IRS guidance, whether a requested change is on account of and corresponds with a change made under the plan of the Spouse’s or Dependent’s employer.
- (4) *Loss of Coverage under a Plan Maintained by a Governmental or Educational Institution.* A Participant may add coverage for a Participant, Spouse or Dependent, if the same Participant, Spouse, or Dependent loses coverage under any group health coverage plan sponsored by a governmental or Educational Institution.

A Participant who terminates and is rehired within thirty (30) days shall be deemed to have continued coverage during such period of termination as if he or she was never terminated unless there is another qualifying event. Missing payments shall be made whole during the remainder of the Plan Year. There shall be no coverage loss to the Participant.

A Participant who terminates and is rehired after thirty (30) days shall be able to change elections. The Health Care Reimbursement Plan maximum election for the remainder of the Plan Year will be the difference between the annual maximum less any prior election. The Dependent Care Assistance Program maximum election for the remainder of the Plan Year will be the difference between the annual maximum less any prior contributions. There may be a coverage loss if the Participant did not or was not able to continue under COBRA.

5.5 **“DEPENDENT” FOR PURPOSES OF ARTICLE V**

“For Purposes of Article V of the Plan, the term “Dependent” shall have the meaning given that term by Treas. Reg. 1.125-4(i)(3) or as otherwise provided by the Internal Revenue Service or the Department of the Treasury.”

ARTICLE VI
HEALTH CARE REIMBURSEMENT PLAN

6.1 **ESTABLISHMENT OF PLAN**

This Health Care Reimbursement Plan is intended to qualify as a medical reimbursement plan under Code Section 105 and shall be interpreted in a manner consistent with such Code Section 105 and the Treasury regulations there under. Participants who elect to participate in this Health Care Reimbursement Plan may submit claims for the reimbursement of Medical Expenses. All amounts reimbursed under this Health Care Reimbursement Plan shall be periodically paid from amounts allocated to the Health Care Reimbursement Fund. Periodic payments reimbursing Participants from the Health Care Reimbursement Fund shall in no event occur less frequently than monthly.

6.2 **DEFINITIONS**

For the purposes of this Article and the Cafeteria Plan, the terms below have the following meaning:

- (a) “Health Care Reimbursement Fund” means the fund established for a Participant pursuant to this Plan to which part of his Cafeteria Plan Benefit Dollars may be allocated and from which all allowable Medical Expenses may be reimbursed.

- (b) "Health Care Reimbursement Plan" means the plan of benefits contained in this Article, which provides for the reimbursement of eligible Medical Expenses incurred by a Participant or his Dependents.
- (c) "Highly Compensated Participant" means, for the purposes of this Article and determining discrimination under code Section 105 (h), a participant who is:
 - (1) one of the 5 highest paid officers;
 - (2) a shareholder who owns (or is considered to own applying the rules of Code Section 318) more than 10 percent in value of the stock of the Employer; or
 - (3) among the highest paid 25 percent of all Employees (other than exclusions permitted by Code Section 105(h)(3)(B) for those individuals who are not Participants).
- (d) "Medical Expenses" means any expense for medical care within the meaning of the term "medical care" or "medical expense" as defined in Code Section 213(d) and as allowed under Code Section 105 and the rulings and Treasury regulations there under, and not otherwise used by the Participant as a deduction in determining his tax liability under the Code. Over-the-counter medicines and drugs are included if prescribed meeting the prescription requirements of applicable state law to treat (or due to) a specific medical condition. However, a Participant may not be reimbursed for the cost of other health coverage such as premiums paid under plans maintained by the employer of the Participant's spouse or individual policies maintained by the Participant or his spouse or Dependent. Furthermore, a Participant may not be reimbursed for "qualified long-term care services" as defined in Code Section 7702B(c).
- (e) The definitions of Article I are hereby incorporated by reference to the extent necessary to interpret and apply the provisions of this Health Care Reimbursement Plan.

6.3 **FORFEITURES**

The amount in the Health Care Reimbursement Fund as of the end of any Plan Year (and after the processing of all claims for such Plan Year pursuant to Section 6.7 hereof) shall be forfeited and credited to the benefit plan surplus. In such event, the Participant shall have no further claim to such amount for any reason subject to Section 8.2.

6.4 **LIMITATION ON ALLOCATIONS**

Notwithstanding any provision contained in this Article to the contrary or negotiated union contracts to the contrary, the maximum annual Benefit amount that a Participant may elect to receive under the Health Care Reimbursement Plan in any Plan Year shall be \$4,000.00.

6.5 **NONDISCRIMINATION REQUIREMENTS**

- (a) It is the intent of this Health Care Reimbursement Plan not to discriminate in violation of the Code and the Treasury regulations there under.
- (b) If the Administrator deems it necessary to avoid discrimination under this Health Care Reimbursement Plan, it may, but shall not be required to, reject any elections or reduce contributions or Benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reject any elections or reduce contributions or Benefits, it shall be done in the following manner. First, the Benefits designated for the Health Care Reimbursement Fund by the member of the group in whose favor discrimination may not occur pursuant to Code Section 105 that elected to contribute the highest amount to the fund for the Plan Year shall be reduced until the nondiscrimination tests set forth in this Section or the Code are satisfied, or until the amount designated for the fund equals the amount designated for the fund by the next member of the group in whose favor discrimination may not occur pursuant to Code Sections 105 who has elected the second highest contribution to the Health Care Reimbursement Fund for the Plan Year. This process shall continue until the nondiscrimination tests set forth in this Section or the Code are satisfied. Contributions that are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited and credited to the benefit plan surplus.

6.6 **COORDINATION WITH CAFETERIA PLAN**

All Participants under the Cafeteria Plan are eligible to receive Benefits under this Health Care Reimbursement Plan. The enrollment under the Cafeteria Plan shall constitute enrollment under this Health Care Reimbursement Plan. In addition, other matters concerning contributions, elections and the like shall be governed by the general provisions of the Cafeteria Plan.

6.7 **HEALTH CARE REIMBURSEMENT PLAN CLAIMS**

- (a) All Medical Expenses incurred by a Participant, Spouse, or Dependent shall be reimbursed during the Plan Year subject to Section 2.6, even though the submission of such a claim occurs after his participation hereunder ceases; but provided that the Medical Expenses were incurred during the applicable Plan Year, (but prior to the date coverage ceases, except as otherwise provided in Section 2.5, 2.6 and 2.7). Medical Expenses are treated as having been incurred when the Participant is provided with the medical care that gives rise to the medical expenses, not when the Participant is formally billed or charged for, or pays for the medical care.

- (b) The Administrator shall direct reimbursement to each eligible Participant for all allowable Medical Expenses, up to a maximum of the amount designated by the Participant for the Health Care Reimbursement Fund for the Plan Year. Reimbursements shall be made available to the Participant throughout the year without regard to the level of Cafeteria Plan Benefit Dollars that have been allocated to the fund at any given point in time. Furthermore, a Participant shall be entitled to reimbursements only for amounts in excess of any payments or other reimbursements under any health care plan sponsored by the Employer, a governmental agency or any other plan covering a Participant and/or his Spouse or Dependents.
- (c) Claims for the reimbursement of Medical Expenses incurred in any Plan Year shall be paid as soon after a claim has been filed as is administratively practicable; provided however, that if a Participant fails to submit a claim within the 90-day period (March 31) immediately following the end of the Plan Year, those Medical Expense claims shall not be considered for reimbursement by the Administrator.
- (d) Reimbursement payments under this Plan shall be made directly to the Participant. However, in the Administrator's discretion, payments may be made directly to the service provider. The application for payment or reimbursement shall be made to the Administrator on an acceptable form within a reasonable time of incurring the debt or paying for the service. The application shall include a written statement from an independent third party stating that the Medical Expense has been incurred and the amount of such expense. Furthermore, the Participant shall provide a written statement that the Medical Expense has not been reimbursed or is not reimbursable under other health plan coverage and, if reimbursed from the Health Care Reimbursement Fund, such amount will not be claimed as a tax deduction. The Administrator shall retain a file of all such applications.
- (e) If a Participant fails to accept or cash a claim reimbursement within 120 days after a reimbursement has been issued and the Administrator has made reasonable attempt to reimburse the Participant, the funds shall be considered unclaimed and will be treated as plan forfeitures under Section 6.3 provided that, if a Participant should later renew his or her written request for reimbursement of said amount, the Company shall reimburse such amount to Participant within 90 days of the renewed reimbursement request.

ARTICLE VII

DEPENDENT CARE ASSISTANCE PROGRAM

7.1 ESTABLISHMENT OF PROGRAM

This Dependent Care Assistance Program is intended to qualify as a program under Code Section 129 and shall be interpreted in a manner consistent with such Code Section. Participants may submit claims for the reimbursement of Employment-Related Dependent Care Expenses. All amounts reimbursed under this Dependent Care Assistance Program

shall be paid from amounts allocated to the Participant's Dependent Care Assistance Account.

7.2 DEFINITIONS

For the purposes of this Article and the Cafeteria Plan the terms below shall have the following meaning:

- (a) "Dependent Care Assistance Account" means the account established for a Participant pursuant to this Article to which part of his Cafeteria Plan Benefit Dollars may be allocated and from which Employment-Related Dependent Care Expenses of the Participant may be reimbursed.
- (b) "Dependent Care Assistance Program" means the program of benefits contained in this Article, which provides for the reimbursement of eligible expenses for the care of the Qualifying Individuals of Participants.
- (c) "Earned Income" means earned income as defined under Code Section 32(c)(2), but excluding such amounts paid or incurred by the Employer for dependent care assistance to the Participant.
- (d) "Employment-Related Dependent Care Expenses" means the following: services that both (1) related to the care of a Qualifying Individual that enable the Participant and his or her Spouse to remain gainfully employed after the date of participation in the Dependent Care Assistance Account and during the Period of Coverage; and (2) are performed --
 - in the Participant's home; or
 - outside the Participant's home for (1) the care of a Participant's qualifying child who is under age 13; or (2) the care of any other Qualifying Individual who regularly spends at least eight hours per day in the Participant's household. In addition, if the expenses are incurred for services provided by a dependent care center (i.e., a facility that provides care for more than six individuals not residing at the facility and that receives a fee, payment or grant for such services), then the center must comply with all applicable state and local laws and regulations.

Notwithstanding the foregoing, services provided by the following individuals are excluded and shall not be considered for reimbursement:

- an individual with respect to whom a personal exemption is allowable under Code § 151(c) to a Participant or his or her Spouse;
 - a Participant's Spouse
 - a Participant's child (as defined in Code § 152(f)(1)) who is under 19 years of age at the end of the year in which the expenses were incurred; or
 - a parent of a Participant's under age 13 qualifying child (as defined in Code § 152(a)(1)).
- (e) "Qualifying Individual" means, for Dependent Care Assistance Program purposes,
- a tax dependent of a Participant as defined in Section 152 who is under the age

of 13 and who is the Participant's qualifying child as defined in Code §152(a)(1);

- a tax dependent of the Participant as defined in Code § 152, but determined without regard to subsections (b)(a), (b)(2), and (d)(1)(B) thereof, who is physically or mentally incapable of self-care, and who has the same principal place of abode as the Participant for more than one-half of the taxable year; or a Participant's Spouse who is physically or mentally incapable of self-care, and who has the same principal place of abode as the Participant for more than half of the year.

Notwithstanding the foregoing, in the case of divorced or separated parents, a Qualifying Individual who is a child shall, as provided in Code § 21(e)(5), be treated as a Qualifying Individual of the custodial parent (within the meaning of Code § 152(3)) and shall not be treated as a Qualifying Individual with respect to the non-custodial parent.

- (f) The definitions of Article I are hereby incorporated by reference to the extent necessary to interpret and apply the provisions of this Dependent Care Assistance Program.

7.3 DEPENDENT CARE ASSISTANCE ACCOUNTS

The Administrator shall establish a Dependent Care Assistance Account for each Participant who elects to apply Cafeteria Plan Benefit Dollars to Dependent Care Assistance Program benefits.

7.4 INCREASES IN DEPENDENT CARE ASSISTANCE ACCOUNTS

A Participant's Dependent Care Assistance Account shall be increased each pay period by the portion of Cafeteria Plan Benefit Dollars that he has elected to apply toward his Dependent Care Assistance Account pursuant to elections made under Article V hereof.

7.5 DECREASES IN DEPENDENT CARE ASSISTANCE ACCOUNTS

A Participant's Dependent Care Assistance Account shall be reduced by the amount of any Employment-Related Dependent Care Expense reimbursements paid or incurred on behalf of a Participant pursuant to Section 7.12 hereof.

7.6 ALLOWABLE DEPENDENT CARE ASSISTANCE REIMBURSEMENT

Subject to limitations contained in Section 7.9 of this Program and to the extent of the amount contained in the Participant's Dependent Care Assistance Account, a Participant who incurs Employment-Related Dependent Care Expenses shall be entitled to receive from the Employer full reimbursement for the entire amount of such expenses incurred during the Plan Year or portion thereof during which he is a Participant.

7.7 ANNUAL STATEMENT OF BENEFITS

On or before January 31st of each calendar year, the Employer shall furnish to each Employee who was a Participant and received benefits under Section 7.6 during the prior calendar year, a statement of all such benefits paid to or on behalf of such Participant during the prior calendar year.

7.8 FORFEITURES

The amount in a Participant's Dependent Care Assistance Account as of the end of any Plan Year (and after the processing of all claims for such Plan Year pursuant to Section 7.12 hereof) shall be forfeited and credited to the benefit plan. In such event, the Participant shall have no further claim to such amount for any reason.

7.9 LIMITATION ON PAYMENTS

Notwithstanding any provision contained in this Article to the contrary or negotiated union contracts to the contrary, the amounts paid from a Participant's Dependent Care Assistance Account in or on account of any taxable year of the Participant shall not exceed the lesser of the Earned Income limitation described in Code Section 129(b) or \$5,000 (\$2,500 if a separate tax return is filed by a Participant who is married as determined under the rules of paragraphs (3) and (4) of Code Section 21(e)).

7.10 NONDISCRIMINATION REQUIREMENTS

- (a) It is the intent of this Dependent Care Assistance Program that contributions or benefits not discriminate in favor of the group of employees in whose favor discrimination may not occur under Code Sections 129(d).
- (b) It is the intent of this Dependent Care Assistance Program that not more than 25 percent of the amounts paid by the Employer for dependent care assistance during the Plan Year will be provided for the class of individuals who are shareholders or owners (or their Spouses or Dependents), each of whom (on any day of the Plan Year) owns more than 5 percent of the stock or of the capital or profits interest in the Employer.
- (c) If the Administrator deems it necessary to avoid discrimination or possible taxation to a group of employees in whose favor discrimination may not occur in violation of Code Section 129 it may, but shall not be required to, reject any elections or reduce contributions or non-taxable benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reject any elections or reduce contributions or Benefits, it shall be done in the following manner. First, the Benefits designated for the Dependent Care Assistance Account by the affected Participant that elected to contribute the highest amount to such account for the Plan Year shall be reduced until the nondiscrimination tests set forth in this Section are satisfied, or until the amount designated for the account equals the amount designated for the account of the affected Participant who has elected the second highest contribution to the Dependent Care Assistance Account for the Plan Year. This process shall continue until the nondiscrimination tests set forth in this

Section are satisfied. Contributions that are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited.

7.11 COORDINATION WITH CAFETERIA PLAN

All Participants under the Cafeteria Plan are eligible to receive Benefits under this Dependent Care Assistance Program. The enrollment and termination of participation under the Cafeteria Plan shall constitute enrollment and termination of participation under this Dependent Care Assistance Program. In addition, other matters concerning contributions, elections and the like shall be governed by the general provisions of the Cafeteria Plan.

7.12 DEPENDENT CARE ASSISTANCE PROGRAM CLAIMS

The Administrator shall direct the payment of all such Dependent Care Assistance claims to the Participant upon the presentation to the Administrator of documentation of such expenses in a form satisfactory to the Administrator. However, in the Administrator's discretion, payments may be made directly to the service provider. In its discretion in administering the Plan, the Administrator may utilize forms and require documentation of costs as may be necessary to verify the claims submitted. At a minimum, the form shall include a statement from an independent third party as proof that the expense has been incurred and the amount of such expense. In addition, the Administrator may require that each Participant who desires to receive reimbursement under this Program for Employment-Related Dependent Care Expenses submit to the Administrator a statement, which may contain some or all of the following information:

- (a) The Qualifying Individual(s) for whom the services were performed;
- (b) The nature of the services performed for the Participant, the cost of which he wishes reimbursement;
- (c) The relationship, if any, of the person performing the services to the Participant;
- (d) If the services are being performed by a child of the Participant, the age of the child;
- (e) A statement as to where the services were performed;
- (f) If any of the services were performed outside the home, a statement as to whether the Qualifying Individual for whom such services were performed spends at least eight hours a day in the Participant's household;
- (g) If the services were being performed in a day care center, a statement:
 - (1) that the day care center complies with all applicable laws and regulations of the state of residence,
 - (2) that the day care center provides care for more than six individuals (other than individuals residing at the center), and

- (3) the amount of fee paid to the center.
- (h) If the Participant is married, a statement containing the following:
 - (1) the Spouse's salary or wages if he or she is employed, or
 - (2) if the Participant's Spouse is not employed, a statement that
 - (i) he or she is incapacitated, or
 - (ii) he or she is a full-time student attending an educational institution and the months during the year which he or she attending such institution.
- (i) If a Participant fails to submit a claim within the 90-day period (March 31) immediately following the end of the Plan Year, the Administrator shall not consider those claims for reimbursement.
- (j) If a Participant fails to accept or cash a claim reimbursement within 120 days after a reimbursement has been issued and the Administrator has made reasonable attempts to reimburse the Participant, the funds shall be considered unclaimed and will be treated as plan forfeitures under Section 7.8 provided that, if a Participant should later renew his or her written request for reimbursement of said amount, the Company shall reimburse such amount to the Participant within 90 days of the renewed reimbursement request.

ARTICLE VIII BENEFITS AND RIGHTS

8.1 CLAIM FOR BENEFITS

- (a) Any claim for Benefits underwritten by insured Contracts shall be made in accordance with that specific Benefit plan. If the Benefit is denied, the Participant or beneficiary shall follow the claims review procedures for that insured Benefit. A 'Claim for Benefits' under the Health Care Reimbursement Plan or the Dependent Care Assistance Plan for purposes of triggering ERISA is deemed to have been made when a signed claim request is received by the Plan Administrator or authorized representative from the Participant, beneficiary or authorized representative using a pre-approved form and attaching third-party documentation substantiating health care expenses per Section 6.7 or dependent care expenses per Section 7.12, and such other information as is reasonably necessary to determine the validity of the claim.
- (b) The Administrator shall make a benefit determination within a reasonable time period not longer than 30 days after receipt, unless for matters beyond the control of the Plan Administrator a 15-day extension is required, in which case, the claimant will be notified. A claim for benefits will be deemed incomplete if information necessary to render a full and fair claim determination under the Plan is missing, a notice detailing information necessary to perfect the claim or make it whole shall be

issued to the claimant. The Participant has 45 days after receipt of the incomplete notice to provide such information to the Administrator. The Administrator's time period for making a benefit determination is tolled from the date an incomplete notice is issued to the date the claimant responds.

- (c) If an adverse determination is made regarding a claim for benefits, the claimant shall, in a manner calculated to be understood by the claimant, be notified of:
 - (1) the specific reason(s) for the adverse determination;
 - (2) specific plan provisions on which the determination is based;
 - (3) description of additional materials or information necessary from the claimant to complete the claim;
 - (4) the plan's review or appeal procedures, including time limits and a statement of the claimant's rights to bring civil action under 502(a) of the Act following the appeal.

A Participant shall have 180 days from receipt of an adverse determination to submit written comments, documents or information to support the claim for benefits under Code provisions and Cafeteria Plan and request a review of the determination. If no action is taken, the Participant's ERISA rights of appeal for the claim expire.

- (d) If a Participant makes a written request for an adverse decision appeal in a timely manner, an authorized representative of the Administrator other than the representative or subordinate of the representative making the initial adverse determination shall independently review the claim for benefits and as well as all subsequently submitted materials. The Participant shall be notified of a decision within 60 days. The written decision shall be made in accordance with governing plan documents and where appropriate, Plan provisions that have been applied consistently with respect to similarly situated claimants. If an adverse determination is made, the Administrator shall set forth:
 - (1) the specific reasons for the adverse decision,
 - (2) reference to Plan provision(s) on which the decision is based, and
 - (3) a description of claimant's review or appeal procedures, including time limits, and if applicable, any internal rules, protocol or similar criterion used in making the decision.
 - (4) a statement of the claimant's right to bring suit under ERISA after the appeal.
- (e) Any balance remaining in a Participant's Health Care Reimbursement Plan or Dependent Care Assistance Program at the end of each Plan Year shall be forfeited and deposited in the benefit plan surplus of the Employer pursuant to Section 6.3 or Section 7.8, whichever is applicable, unless the Participant had made a written claim for such Plan Year, which has been denied and is pending; in which event the

amount of the claim shall be held in his account until the claim appeal procedures set forth above have been satisfied or the claim is paid. If any such claim is denied on appeal, the amount held beyond the end of the Plan Year shall be forfeited and credited to the benefit plan surplus.

8.2 APPLICATION OF BENEFIT PLAN SURPLUS

Any forfeited amounts credited to the benefit plan surplus by virtue of the failure of a Participant to incur a qualified expense or seek reimbursement in a timely manner may, but need not be, separately accounted for after the close of the Plan Year (or after such further time specified herein for the filing of claims) in which such forfeitures arose. In no event shall such amounts be carried over to reimburse a Participant for expenses incurred during a subsequent Plan Year for the same or any other Benefit available under the Plan; nor shall amounts forfeited by a particular Participant be made available to such Participant in any other form or manner, except as permitted by Treasury regulations. Amounts in the benefit plan surplus are generally first used to defray administrative costs and experience losses, but the Administrator may also apply the benefit plan surplus in another manner determined by the Employer that shall not violate the Code, ERISA, or any regulations.

8.3 NAMED FIDUCIARY

The Administrator shall be the named fiduciary pursuant to ERISA Section 402 and shall be responsible for the management and control of the operation and administration of the Plan.

8.4 GENERAL FIDUCIARY RESPONSIBILITY

The Administrator and any other fiduciary under ERISA shall discharge their duties with respect to this Plan solely in the interest of the Participants and their beneficiaries and

- (a) for the exclusive purpose of providing Benefits to Participants and their beneficiaries and defraying reasonable expenses of administering the Plan;
- (b) with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; and
- (c) in accordance with the documents and instruments governing the Plan insofar as such documents and instruments governing the Plan insofar as such documents and instruments are consistent with ERISA.

8.5 NONASSIGNABILITY OF RIGHTS

The right of any Participant to receive any reimbursement under the Plan shall not be alienable by the Participant by assignment or any other method, and shall not be subject to the rights of creditors, and any attempt to cause such right to be so subjected shall not be recognized, except to such extent as may be required by law.

**ARTICLE IX
ADMINISTRATION**

9.1 **PLAN ADMINISTRATION**

The operation of the Plan shall be under the supervision of the Administrator. It shall be a principal duty of the Administrator to see that the Plan is carried out in accordance with its terms, and for the exclusive benefit of Employees entitled to participate in the Plan. The Administrator shall have full power to administer the Plan in all of its details, subject, however, to the pertinent provisions of the Code. The Administrator's powers shall include, but shall not be limited to the following authority, in addition to all other powers provided by this Plan:

- (a) To make and enforce such rules and regulations as the Administrator deems necessary or proper for the efficient administration of the Plan;
- (b) To interpret the Plan, the Administrator's interpretations thereof in good faith to be final and conclusive on all persons claiming benefits by operation of the Plan;
- (c) To decide all questions concerning the Plan and the eligibility of any person to participate in the Plan and to receive benefits provided by operation of the Plan;
- (d) To reject elections or to limit contributions or Benefits for certain highly compensated participants if it deems such to be desirable in order to avoid discrimination under the Plan in violation of applicable provisions of the Code;
- (e) To provide Employees with a reasonable notification of their benefits available by operation of the Plan;
- (f) To approve reimbursement requests and to authorize the payment of benefits; and
- (g) To appoint such agents, counsel, accountants, consultants, and actuaries as may be required to assist in administering the Plan.

Any procedure, discretionary act, interpretation or construction taken by the Administrator shall be done in a nondiscriminatory manner based upon uniform principles consistently applied and shall be consistent with the intent that the Plan shall continue to comply with the terms of Code Section 125 and the Treasury regulations there under. Benefits under this Plan will be paid only if the Administrator decides in its discretion that the Participant is entitled to them.

9.2 **EXAMINATION OF RECORDS**

The Administrator shall make available to each Participant, Eligible Employee and any other Employee of the Employer such records as pertain to their interest under the Plan for examination at reasonable times during normal business hours.

9.3 **PAYMENT OF EXPENSES**

Any reasonable administrative expenses shall be paid by the Employer unless the Employer determines that administrative costs shall be borne by the Participants under the Plan or by any Trust Fund which may be established hereunder. The Administrator may impose reasonable conditions for payments, provided that such conditions shall not discriminate in favor of highly compensated employees.

9.4 **INSURANCE CONTROL CLAUSE**

In the event of a conflict between the terms of this Plan and the terms of an Insurance Contract of an independent third party Insurer whose product is then being used in conjunction with this Plan, the terms of the Insurance Contract shall control as to those Participants receiving coverage under such Insurance Contract. For this purpose, the Insurance Contract shall control in defining the persons eligible for insurance, the dates of their eligibility, the conditions which must be satisfied to become insured, if any, the benefits Participants are entitled to and the circumstances under which insurance terminates.

9.5 **INDEMNIFICATION OF ADMINISTRATOR**

The Employer agrees to indemnify and to defend to the fullest extent permitted by law any Employee serving as the Administrator or as a member of a committee designated as Administrator (including any Employee or former Employee who previously served as Administrator or as a member of such committee) against all liabilities, damages, costs and expenses (including attorney's fees and amounts paid in settlement of any claims approved by the Employer) occasioned by any act or omission to act in connection with the Plan, if such act or omission is in good faith.

ARTICLE X
AMENDMENT OR TERMINATION OF PLAN

10.1 **AMENDMENT**

The Employer, at any time or from time to time, may amend any or all of the provisions of the Plan without the consent of any Employee or Participant. No amendment shall have the effect of modifying any benefit election of any Participant in effect at the time of such amendment, unless such amendment is made to comply with Federal, state or local laws, statutes or regulations.

10.2 **TERMINATION**

The Employer is establishing this Plan with the intent that it will be maintained for an indefinite period of time. Notwithstanding the foregoing, the Employer reserves the right to terminate the Plan, in whole or in part, at any time. In the event the Plan is terminated, no further contributions shall be made. Benefits under any Insurance Contract shall be paid in accordance with the terms of the Contract.

No further additions shall be made to the Health Care Reimbursement Fund or Dependent Care Assistance Account, but all payments from such Fund shall continue to be made according to the elections in effect until the end of the Plan Year in which the Plan termination occurs (and for a reasonable period of time thereafter, if required for the filing of

claims). Any amounts remaining in any such account as of the end of the Plan Year in which Plan termination occurs shall be forfeited and deposited in the benefit plan surplus after the expiration of the filing period.

ARTICLE XI

MISCELLANEOUS

11.1 PLAN INTERPRETATION

All provisions of this Plan shall be interpreted and applied in a uniform, nondiscriminatory manner. This Plan shall be read in its entirety and not severed except as provided in Section 11.11.

11.2 GENDER AND NUMBER

Wherever any words are used herein in the masculine, feminine or neuter gender, they shall be construed as though they were also used in another gender in all cases where they would so apply, and whenever any words are used herein in the singular or plural form, they shall be construed as though they were also used in the other form in all cases where they would so apply.

11.3 WRITTEN DOCUMENT

This Plan, in conjunction with any separate written document which may be required by law, is intended to satisfy the written Plan requirement of Code Section 125 and any Treasury Regulations there under relating to cafeteria plans.

11.4 EXCLUSIVE BENEFIT

This Plan shall be maintained for the exclusive benefit of the Employees who participate in the Plan.

11.5 PARTICIPANT'S RIGHTS

This Plan shall not be deemed to constitute an employment contract between the Employer and any Participant or to be a consideration or an inducement for the employment of any Participant or Employee. Nothing contained in this Plan shall be deemed to give any Participant or Employee the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant or Employee at any time regardless of the effect which such discharge shall have upon him as a Participant of this Plan.

11.6 ACTION BY THE EMPLOYER

Whenever the Employer under the terms of the Plan is permitted or required to do or perform any act or matter or thing, it shall be done and performed by a person duly authorized by its legally constituted authority.

11.7 NO GUARANTEE OF TAX CONSEQUENCES

Neither the Administrator nor the Employer makes any commitment or guarantee that any amounts paid to or for the benefit of a Participant under the Plan will be excludable from the Participant's gross income for Federal or state income tax purposes, or that any other Federal

or state tax treatment will apply to or be available to any Participant. It shall be the obligation of each Participant to determine whether each payment under the Plan is excludable from the Participant's gross income for Federal and state income tax purposes, and to notify the Employer if the Participant has reason to believe that any such payment is not so excludable. Notwithstanding the foregoing, the rights of Participants under this Plan shall be legally enforceable.

11.8 INDEMNIFICATION OF EMPLOYER BY PARTICIPANTS

If any Participant receives one or more payments or reimbursements under the Plan that are not for a permitted Benefit, such Participant shall indemnify and reimburse the Employer for any liability it may incur for failure to withhold Federal or state income tax or Social Security tax from such payments or reimbursements. However, such indemnification and reimbursement shall not exceed the amount of additional Federal and state income tax (plus any penalties) that the Participant would have owed if the payments or reimbursements had been made to the Participant as regular cash compensation, plus the Participant's share of any Social Security tax that would have been paid on such compensation, less any such additional income and Social Security tax actually paid by the Participant.

11.9 FUNDING

Unless otherwise required by law, contributions to the Plan need not be placed in trust or dedicated to a specific Benefit, but shall instead be considered general assets of the Employer. Furthermore, and unless otherwise required by law, nothing herein shall be construed to require the Employer or the Administrator to maintain any fund or segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in, any fund, account or asset of the Employer from which any payment under the Plan may be made.

11.10 GOVERNING LAW

This Plan is governed by the Code and the Treasury regulations issued there under (as they might be amended from time to time). In no event shall the Employer guarantee the favorable tax treatment sought by this Plan. To the extent not preempted by Federal law, the provisions of this Plan shall be construed, enforced and administered according to the laws of the State of Illinois.

11.11 SEVERABILITY

If any provision of the Plan is held invalid or unenforceable, its invalidity or unenforceability shall not affect any other provisions of the Plan, and the Plan shall be construed and enforced as if such provision had not been included herein.

11.12 CAPTIONS

The captions contained herein are inserted only as a matter of convenience and for reference, and in no way define, limit, enlarge or describe the scope or intent of the Plan, nor in any way shall affect the Plan or the construction of any provision thereof.

11.13 CONTINUATION OF COVERAGE

Notwithstanding anything in the Plan to the contrary, in the event any welfare benefit under this Plan, subject to the continuation coverage requirements of Code Section 4980B becomes unavailable, the Participant may be entitled to continuation coverage as prescribed in Code Section 4980B.

11.14 FAMILY AND MEDICAL LEAVE ACT

Notwithstanding any provision in the Plan to the contrary, if a Participant goes on a qualifying leave under the Family and Medical Leave Act of 1993 (FMLA) and elect to continue coverage(s) while on leave, then to the extent required by the FMLA, the Employer will continue to maintain the Participant's insured and uninsured group health benefits on the same terms and conditions as if the Participant were still active.

If the Participant elects to continue coverage while on leave, he shall enter into a payment agreement with the Employer prior to leave based on the Participant's share of the premium due for the current Plan Year. One or more of the following payment methods may be used:

- with after-tax dollars, by sending monthly payment to the Employer
- with pre-tax salary reduction by pre-paying all or a portion of the coverage contributions during the leave for that Plan Year.
- With pre-tax salary reduction by catching-up on all or a portion of the coverage contributions during the leave for that Plan Year. Salary redirection must be from the same Plan Year as the leave.

If a Participant's coverage ceases while on FMLA leave, the Participant, will be permitted to re-enter the Plan upon return from such leave, however the Participant's annual election prior to the leave will be pro-rated for the period of time during the FMLA when coverage ceased, unless the Participant is entitled to make a new election pursuant to Section 5.4.

11.15 HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT

Notwithstanding anything in this Plan to the contrary, this Plan shall be operated in accordance with HIPAA and regulations there under. Members of the Company's workforce have access to the individually identifiable health information of Plan Participants for administrative functions of the Plan. When this health information is provided from the Plan to the Plan Sponsor, it is Protected Health Information (PHI).

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its implementing regulations restrict the Plan Sponsor's ability to use and disclose PHI. The following HIPAA definition of PHI applies to this plan amendment:

Protected Health Information. "Protected Health Information" ("PHI") means information that is created or received by the Plan and relates to the past, present, or future physical or mental health or condition of a participant; the provision of health care to a participant; or the past, present, or future payment for the provision of health care to a participant; and information that identifies the participant or for which there is a reasonable basis to believe the information can be used to identify the participant. Protected Health Information includes

information of persons living or deceased.

The Plan Sponsor shall have access to PHI from the Plan only as permitted under this plan amendment or as otherwise required or permitted by HIPAA.

Provision of Protected Health Information to Plan Sponsor

(a) Permitted Disclosure of Enrollment/Disenrollment Information

The Plan (or a health insurance issuer or HMO with respect to the Plan) may disclose to the Plan Sponsor information on whether the individual is participating in the Plan, or is enrolled in or has disenrolled from a health insurance issuer or HMO offered by the Plan.

(b) Permitted Uses and Disclosure of Summary Health Information

The Plan (or a health insurance issuer or HMO with respect to the Plan) may disclose Summary Health Information to the Plan Sponsor, provided that the Plan Sponsor requests the Summary Health Information for the purpose of (1) obtaining premium bids from health plans for providing health insurance coverage under the Plan; or (2) modifying, amending, or terminating the Plan.

Summary Health Information. "Summary Health Information" means information (1) that summarizes the claims history, claims expenses or type of claims experienced by individuals for whom a plan sponsor had provided health benefits under a Health Plan; and (2) from which the information described at 42 CFR § 164.514(b)(2)(i) has been deleted, except that the geographic information described in 42 CFR § 164.514(b)(2)(i)(B) need only be aggregated to the level of a five-digit ZIP code.

(c) Permitted and Required Uses and Disclosure of Protected Health Information for Plan Administration Purposes

- (1) Unless otherwise permitted by law, and subject to the conditions of disclosure described in paragraph (d) below and obtaining written certification pursuant to paragraph (d) below, the Plan (or a health insurance issuer or HMO on behalf of the Plan) may disclose PHI to the Plan Sponsor, provided that the Plan Sponsor uses or discloses such PHI only for Plan administration purposes. "Plan administration purposes" means administration functions performed by the Plan Sponsor on behalf of the Plan, such as quality assurance, claims processing, auditing, and monitoring. Plan administration functions do not include functions performed by the Plan Sponsor in connection with any other benefit or benefit plan of the Plan Sponsor, and they do not include any employment-related functions.
- (2) Notwithstanding the provisions of this Plan to the contrary, in no event shall the Plan Sponsor be permitted to use or disclose PHI in a manner that is inconsistent with 45 CFR § 164.504(f).

(d) Conditions of Disclosure for Plan Administration Purposes

Plan Sponsor agrees that with respect to any PHI (other than enrollment/disenrollment information and Summary Health Information, which are not subject to these restrictions) disclosed to it by the Plan (or a health insurance issuer or HMO on behalf of the Plan), Plan Sponsor shall:

- (1) not use or further disclose the PHI other than as permitted or required by the Plan or as required by law;
- (2) ensure that any agent, including a subcontractor, to whom it provides PHI received from the Plan agrees to the same restrictions and conditions that apply to the Plan Sponsor with respect to PHI;
- (3) not use or disclose the PHI for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the Plan Sponsor;
- (4) report to the Plan any use or disclosure of the information that is inconsistent with the uses or disclosures provided for of which it becomes aware;
- (5) make available PHI to comply with HIPAA's right to access in accordance with 45 CFR § 164.524;
- (6) make available PHI for amendment and incorporate any amendments to PHI in accordance with 45 CFR § 164.526;
- (7) make available the information required to provide an accounting of disclosures in accordance with 45 CFR § 164.528;
- (8) make its internal practices, books, and records relating to the use and disclosure of PHI received from the Plan available to the Secretary of Health and Human Services for purposes of determining compliance by the Plan with HIPAA's privacy requirements;
- (9) if feasible, return or destroy all PHI received from the Plan that the Plan Sponsor still maintains in any form and retain no copies of such information when no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible; and
- (10) ensure that the adequate separation between Plan and Plan Sponsor (i.e., the "firewall"), required in 45 CFR § 504(f)(2)(iii), is satisfied.
- (11) Plan Sponsor further agrees that if it creates, receives, maintains, or transmits any electronic PHI (other than enrollment/disenrollment information and Summary Health Information, which are not subject to these restrictions) on behalf of the covered entity, it will implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic protected health information, and it will ensure that any agents (including subcontractors) to whom it provides such electronic PHI agrees to implement reasonable and appropriate security measures to protect the information. Plan Sponsor will report to the Plan any security incident of which it becomes aware. This section is effective April 20, 2006.

(e) Adequate Separation Between Plan and Plan Sponsor

- (1) The Plan shall disclose Protected Health Information only to members of the Plan Sponsor's workforce who are authorized to receive such Protected Health Information, and only to the extent and in the minimum amount necessary for that person to perform his or her duties with respect to the Plan. "Members of the Plan Sponsor's workforce" shall refer to all employees and other persons under the control of the Plan Sponsor. The Plan Sponsor shall keep an updated list of those authorized to receive Protected Health Information, and shall immediately provide updated lists to the

Administrative Agent upon any change. The initial list is attached to the Business Associate Agreement entered into between the parties.

- (2) An authorized member of the Plan Sponsor's workforce who receives Protected Health Information shall use or disclose the Protected Health Information only to the extent necessary to perform his or her duties with respect to the Plan.
- (3) In the event that any member of the Plan Sponsor's workforce uses or discloses Protected Health Information other than as permitted by this Section and the Privacy Standards, the incident shall be reported to the Plan's privacy officer. The privacy officer shall take appropriate action, including:
 - (i) investigation of the incident to determine whether the breach occurred inadvertently, through negligence or deliberately, whether there is a pattern of breaches, and the degree of harm caused by the breach;
 - (ii) appropriate sanctions against the persons causing the breach which, depending upon the nature of the breach, may include oral or written reprimand, additional training, or termination of employment;
 - (iii) mitigation of any harm caused by the breach, to the extent practicable; and
 - (iv) documentation of the incident and all actions taken to resolve the issue and mitigate any damages.
- (4) The Plan Sponsor must provide certification to the Plan that it agrees to:
 - (i) not use or further disclose the information other than as permitted or required by the Plan documents or as required by law;
 - (ii) ensure that any agent or subcontractor, to whom it provides Protected Health Information received from the Plan, agrees to the same restrictions and conditions that apply to the Plan Sponsor with respect to such information;
 - (iii) ensure that the provisions of this Section are supported by reasonable and appropriate security measures to the extent that designees have access to electronic PHI;
 - (iv) not use or disclose Protected Health Information for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the Plan Sponsor;
 - (v) report to the Plan any use or disclosure of the Protected Health Information of which it becomes aware that is inconsistent with the uses or disclosures permitted by this Section, or required by law;
 - (vi) make available Protected Health Information to individual Plan members in accordance with Section 164.524 of the Privacy Standards;
 - (vii) make available Protected Health Information for amendment by individual Plan members and incorporate any amendments to Protected Health Information in accordance with Section 164.526 of the Privacy Standards;
 - (viii) make available the Protected Health Information required to provide an

- accounting of disclosures to individual Plan members in accordance with Section 164.528 of the Privacy Standards;
- (ix) make its internal practices, books and records relating to the use and disclosure of Protected Health Information received from the Plan available to the Department of Health and Human Services for purposes of determining compliance by the Plan with the Privacy Standards;
- (x) if feasible, return or destroy all Protected Health Information received from the Plan that the Plan Sponsor still maintains in any form, and retain no copies of such information when no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible; and
- (xi) ensure the adequate separation between the Plan and members of the Plan Sponsor's workforce, as required by Section 164.504(f)(2)(iii) of the Privacy Standards and set out in (d) above.

11.16 UNIFORM SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT

Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service shall be provided in accordance with USERRA and the regulations there under. In accordance with USERRA, Participants shall have the right to continue coverage for themselves and their dependents by making contributions during such service. Participants who do not continue coverage during service shall have elections and benefits restored at the same level and type that were in effect at the time when the USERRA Leave began, as well as any benefits that began during the leave of absence for which the Participant would have reasonable become eligible without any waiting periods or exclusions. The commencement or return from military service may also constitute a "change in status," allowing an employee to make a mid-year change in his or her benefit election.

11.17 QUALIFIED RESERVIST DISTRIBUTIONS

Notwithstanding any other provision of the Plan to the contrary, a Participant who meets each of the following requirements may elect to receive a distribution of certain funds from his or her account in the Health Care FSA for a Plan Year (Qualified Reservist Distribution or QRD)

- The Participant's contributions to his or her Health Care FSA for the Plan Year as of the date of the request for a QRD exceed the reimbursements he or she has received from his or her Health Care FSA for the Plan year as of that date.
- The Participant is ordered or called to active military duty for a period of at least 180 days or for an indefinite period by reason of being a member of the Army National Guard of the United States, the Army Reserve, the Navy Reserve, the Marine Corps Reserve, the Air National Guard of the United States, the Air Force Reserve, the Coast Guard Reserve, or the Reserve Corps of the Public Health Service.
- The Participant has provided the Administrator (or its designee) with a copy of the order or call to active duty. An order or call to active duty of less than 180 days' duration must be supplemented by subsequent calls or orders to reach a total of 180 or more days.
- The Participant is ordered or called to active military duty on or after January 1, 2010, or his or her period of active duty begins before January 1, 2010 and continues on or after

that date.

- During the period beginning on the date of the order or call to active duty and ending on the last day of the Plan Year during which the order or call occurred, the Participant delivers a written election to the Administrator (or its designee) in such form as the Administrator may prescribe, requesting a QRD.

The Administrator will review all requests for QRDs on a uniform and consistent basis. Requests for QRDs that are approved by the Administrator shall be paid within a reasonable time, not to exceed 60 days after the date of the Participant's request.

The amount of any QRD made under this provision shall be equal to the Participant's contributions to his or her Health Care FSA for the Plan Year as of the date of the request for a QRD, minus the reimbursements he or she has received from his or her health Care FSA for the Plan Year as of that date. Notwithstanding any other provision of the Plan to the contrary, this portion of the Participant's balance may be distributed without regard to whether Medical Care Expenses have been incurred. Any portion of the distribution that is not a reimbursement for substantiated health care expenses will be included in the Participant's gross income and wages.

A Participant who has requested a QRD shall forfeit the right to receive reimbursements for health care expenses incurred during the Plan Year and on or after the date of the distribution request. However, such a Participant may claim reimbursement for health care expenses incurred during the Plan Year (or other Period of Coverage, if applicable) and before the date of the distribution request, even if such claims are submitted after the date of his or her distribution, so long as the total dollar amount of such claims does not exceed the amount of the Participant's election under the Health Care FSA for the Plan Year, less the sum of his or her QRD under this provision and the reimbursements he or she has received from his or her Health Care FSA for the Plan Year.

IN WITNESS WHEREOF, and as conclusive evidence of the adoption of the foregoing instrument comprising the amended and restated Oak Park and River Forest High School District 200

Flexible Benefits Plan, Oak Park and River Forest High School District 200 has caused the Plan to be executed in its name and in its behalf.

Dated: _____, 2010.

OAK PARK AND RIVER FOREST
HIGH SCHOOL DISTRICT 200

By:

WITNESSED BY:

(Attach Corporate Resolution or Adoption)

CERTIFICATE OF RESOLUTION

The undersigned Secretary of Board of Education of Oak Park and River Forest High School District 200 (the "School District") hereby certifies that the following resolutions were duly adopted by the Board of Education on _____, 2010, and that such resolutions have not been modified or rescinded as of the date hereof:

IT IS RESOLVED, that the Oak Park and River Forest High School District 200 Flexible Benefits Plan (the "Plan"), effective January 1, 2011, is hereby approved and adopted. The proper officers of the School District are hereby authorized and directed to execute said Plan.

IT IS FURTHER RESOLVED, that appropriate officers of the School District shall be instructed to take such actions deemed necessary and proper in order to implement the Plan and to set-up adequate accounting and administrative procedures to provide benefits as provided under the Plan.

IT IS FURTHER RESOLVED, that the proper officers of the Company shall act as soon as possible to notify employees of the Company of the amendments to this Plan by delivering to each employee a Summary Plan Description as presented to this meeting.

IT IS FURTHER RESOLVED, that the School District hereby agrees to indemnify and to hold Marshall & Ilsley Trust Company harmless from and against all claims, expenses (including reasonable attorney fees), liabilities, damages, actions or other charges incurred by or assessed against Marshall & Ilsley Trust Company as a direct or indirect result of anything done or omitted by Marshall & Ilsley Trust Company in reliance upon the directions, or absence of directions, of the Plan Administrator, the School District, or any participant in the Plan or any prior service provider.

The undersigned further certifies that attached hereto, are true copies of the Oak Park and River Forest High School District 200 Flexible Benefits Plan and the Summary Plan Description approved and adopted in the foregoing resolutions.

Dated: _____, 2010.

**OAK PARK AND RIVER FOREST HIGH
SCHOOL DISTRICT 200**

By:

Title: Secretary

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
Nathaniel Rouse, Principal

DATE: June 14, 2011

RE: Village of Oak Park Student Parking

BACKGROUND

The Village of Oak Park provides parking permits for students around the perimeter of the south playing fields and on South Blvd. Last school year the Village of Oak Park increased the parking rates for students. The proposed rates for non-residents were \$240 and \$160 for residents. The Board of Education elected to pre-purchase all of the 225 permits for \$160 each and to distribute to all students for the same rate regardless of which village they live in. The total cost to pre-purchase the permits was \$36,000. Although the District purchased all 225 permits for \$160 each, it was only able to sell 184 permits for total revenue of \$29,760. The net cost to the District to pre-purchase the permits and provide to the students was \$6,240.

EXECUTIVE SUMMARY

For next school year the prices will be \$320 non-resident and \$240 for residents. The Village has offered a pre-payment plan again; all 225 permits may be purchased for \$240 each. The total cost to the District would be \$54,000. If 186 students purchase the permits at \$240 each, the total revenue collected will be \$44,640 for a net cost to the District of \$9,360.

We recommend that we make purchase of the permits easier for families by allowing on-line purchase of the passes on RevTrack beginning in July along with the payment of registration fees. This new procedure will have several benefits: it will eliminate long lines on registration day, ease collection, provide a record of the purchases and it may increase the number of permits sold.

RECOMMENDATIONS

Discussion concerning the topic of student parking fees.



The Village of Oak Park
Village Hall
123 Madison Street
Oak Park, Illinois 60302

708.383.6400
Fax 708.383.6692
village@oak-park.us
www.oak-park.us

Mr. Steven Isoye
Superintendent
Oak Park and River Forest High School District 200
201 N. Scoville Avenue
Oak Park, IL 60302

May 17, 2011

Dear Superintendent Isoye:

The Village would like to confirm whether OPRF will administer the sale of Student Parking Permits for the 2011-2012 school year.

As you know, the Village of Oak Park previously established a number of on-street parking spaces for which permits are sold to students of OPRF High School Students annually for the period of August 15 to July 31.

OPRF has traditionally provided administrative services related to the sale of these parking permits. It is my understanding by administering the sale of permits, the District was able to manage who could purchase the permits (e.g. juniors and seniors). In addition, beginning in 2009, the Village reduced the permit rate by 30% as a result of the District's administration of permit sales. Attached is a synopsis of the rates.

Please advise on or before June 3, 2011, if the District will or will not administer the sale of Student Permits for 2011-2012. I will then be able to provide to you written materials for distribution to students about next year's permit sales prior to the end of this school year.

If you have any questions, please feel free to contact me.

Sincerely,

Cara Pavlicek
Interim Manager, Parking and Mobility Services

cc: Village Manager Barwin



The Village of Oak Park
Village Hall
123 Madison Street
Oak Park, Illinois 60302

708.383.6400
Fax 708.383.6692
village@oak-park.us
www.oak-park.us

OPRF "S3" Annual Parking Permit

2011-2012 School Year Fees

If the Village administers permit sales:

Residents: Two Hundred, Forty Dollars (\$240.00) per year

Non-Residents: Three Hundred, Twenty Dollars (\$320.00) per year

Residents must show valid drivers license to prove residency.

Student ID required.

Permit in the form of an adhesive decal issued to a single license plate. Non transferable. Non refundable.

Alternatively, if the School purchases and administers permits sales:

All students: One Two Hundred, Forty Dollars (\$240.00) per year

Payment due from school to Village prior to August 31, 2011 for all 225 permits.

Permit in form of a hangtag provided by Village. Transferable. Non refundable.

TO: Board of Education
FROM: Michael Carioscio
DATE: 6/10/2011
RE: Renewal of E2 Services Contract

BACKGROUND

District 200 utilizes managed services for our technology infrastructure. This includes all local and wide area networks, all servers, and the systems software required to manage and run our environment. For the past three years we have contracted with E2 as our managed services provider. We utilize their “wall-to-wall” service offering which includes:

- Active Management – Near real time notifications of error & warning conditions.
- State of the Art Monitoring – In addition to errors & warning condition, performance statistics are tracked so you have accurate information when you need it.
- Onsite & Remote Support– E2 technician on site at least once a week. Remote support resolves most issues that occur. For those that cannot be resolved remotely, a technician is dispatched to our site.
- 24/7 Help Desk
- Virtual CIO – As your trusted advisor, senior staff provides recommendations on our existing and future needs.
- Monthly Preventative Maintenance - Maintenance & updates of all covered systems (firmware, patches, & fixes) are scheduled at our convenience.

SUMMARY OF PROPOSAL

E2 will continue to provide us their wall-to-wall managed service at the current cost of \$150,000/year. In order to test the market to determine whether or not this was competitive pricing, we solicited a bid from another vendor who provides similar services in our market. We normalized their service offerings between E2 and the other vendor to assure a fair comparison. E2 provided us the details on all of the hours they have spent supporting us. When we calculated the equivalent hours with the other vendor we eliminated the hours which were part of their standard offerings and only calculated the hours outside of these offerings. We used a blended rate to average the hours which would be expended during business hours (8 a.m. to 5 p.m.) and after-hours.

The results of our analysis determined that a comparable offering by the other vendor would have cost the District approximately \$180,000/yr.

We have been very pleased with the services we have received from E2 over the last three years. In addition, they have agreed to include their portion of all of our summer projects (which would have included some additional costs) as part of the new agreement.

RECOMMENDATION

We recommend that the Board of Education approve the E2 services contract for another three year term at the June regularly scheduled meeting.

MANAGED NETWORK SERVICES AGREEMENT

THIS MANAGED NETWORK SERVICES AGREEMENT ("Agreement") is made this 1st day of July, 2011 ("Effective Date"), by and between **E2 Services, Inc.** ("E2"), an Illinois corporation located and doing business at 440 Treasure Drive, Oswego, Illinois 60543 and, **Oak Park and River Forest High School District 200**, an Illinois educational institution, with its principal place of business at 201 North Scoville Ave. Oak Park, Illinois, IL 60302 (hereinafter "OPRFHS")

1. General Scope of MSA

1.1 OPRFHS engages E2 to provide services related to specific OPRFHS information technology("IT")systems. Under the terms of this MSA, E2 shall have the following four main functions related to specific OPRFHS IT systems:

- 1) E2 shall monitor, maintain, and manage OPRFHS's IT systems;
- 2) E2 shall have available a dedicated qualified staff member to resolve technical problems related to OPRFHS's IT systems; and
- 3) E2 shall report and notify OPRFHS of technical problems related to its IT systems.
- 4) E2 shall have a technician onsite one day per week. The day of the week will be agreed to by both parties.

2. RELATIONSHIP OF OPRFHS AND E2 AND ADDITIONAL OBLICATIONS

2.1 Nature of Relationship: E2's relationship with OPRFHS will be that of an independent contractor operating for the term of this MSA and no provisions of this MSA shall be construed to create a Partnership, joint venture, principal-agent, or employer-employee relationship. E2 is not the agent of OPRFHS and is not authorized to make any representation, contract, or commitment on behalf of OPRFHS unless specifically requested or authorized to do so by OPRFHS.

2.2 Qualifications: E2 represents that it has the qualifications and ability to perform the services in a professional manner. Because E2 will be working for the benefit of OPRFHS in a maintenance capacity, OPRFHS agrees to provide E2 with the necessary logistical information regarding OPRFHS's technical systems to enable E2 to fulfill its duties under the MSA.

2.2 Re-certification of Modified or Altered IT Systems: If a modification or alteration to a component of the IT systems covered by this MSA is performed by an entity other than E2 or its agents, E2 will be required to re-certify the managed service or machine that has been modified or altered. E2 will bill OPRFHS for the re-certification of the managed service or machine on a time and material basis at a rate of \$95.00.

2.4 Force Majeure: E2 and its agents shall not be liable to OPRFHS for delays in the performance of this MSA caused by circumstances beyond E2's control, including, but not limited to, acts of God, wars, riots, earthquakes, tornadoes, strikes, fires, floods, shortages of labor or materials, labor disputes, accidents, governmental restrictions, or other causes beyond E2's reasonable control. In the event of any such delay, the performance by E2 shall be extended equitably based on the duration, nature, or reason of delay. E2 shall notify OPRFHS in writing of any such events or circumstances promptly after their occurrence.

2.5 Governing Law: The validity, construction, performance, and any claims for breach of this MSA shall be governed by and construed in accordance with the laws of the State of Illinois.

3. Personnel. E2 reserves the exclusive right, upon reasonable approval from OPRFHS, to determine the assignment of its personnel. Should any E2 personnel be unable to perform the Services, E2 will attempt to replace such individual within a reasonable time, but E2 will not be liable for failure to replace such individual within any specified period of time. OPRFHS may request at any time reassignment of any E2 personnel assigned to work at the premises of OPRFHS, and E2 shall use its best efforts to accommodate such request, provided that no reassignment shall take place for any reason which would constitute any form of employment discrimination.

4. Confidentiality. Each part agrees that it will receive and/or have access to confidential information and trade secrets ("Confidential Information") from one another that is not publicly available in connection with the Services E2 renders under this Agreement. The Confidential Information will be deemed to include all the information OPRFHS and E2 receives from one another, except anything designated in writing as not confidential. Each party agrees to maintain the secrecy of the others Confidential Information and agrees not to disclose it to anyone except as permitted in writing by the owner of said information, or as otherwise may be required by law. These obligations under this paragraph will, except as otherwise expressly provided, survive termination of this Agreement.

5. Warranties.

5.1 E2 represents and warrants that the Services will substantially conform to the performance capabilities, characteristics, specifications, functions and other descriptions as set forth in paragraph 9. E2 will make all reasonable efforts to correct any significant defect, error or omission resulting from its provision of Services hereunder for which E2 receives timely written notice from OPRFHS. If E2's efforts do not make the Services provide as warranted, then the exclusive remedy for breach of warranty will be actual damages up to three (3) times the current month's fees and payments actually received by E2 from OPRFHS for the defective Services.

5.2 OPRFHS represents and warrants that it owns or is licensed to use and to permit E2 to use any software, program materials, source code or codes, object codes, upgrades, revisions, modifications and any related data or materials as necessary to perform the Services.

6. Limitation of Liabilities: The parties agree that E2's liability under this Agreement for any claims, damages or costs arising from any claim or action for breach of contract, negligence or indemnity on the part of E2 will be limited to three (3) times the current month's fees and payments actually received by E2 from OPRFHS under this Agreement, except for claims by OPRFHS for personal injury (including death) or property damage directly caused by E2's willful misconduct or gross negligence. **IN NO EVENT WILL E2 BE LIABLE, WHETHER IN CONTRACT OR TORT, INCLUDING NEGLIGENCE, OR OTHERWISE, FOR ANY INDIRECT, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES (INCLUDING, BUT NOT LIMITED TO LOSS OF BUSINESS OR BUSINESS INTERRUPTION).**

7. Termination. Termination of this MSA by either party shall be governed by this paragraph and subparagraphs.

7.1 Termination during First 90 Days by OPRFHS: OPRFHS may terminate this MSA at any time without cause during the first 90 days after the Commencement Date as defined in paragraph 8 under this MSA.

7.2 Termination after First 90 Days by OPRFHS: After the first 90 days after the Commencement Date have past, OPRFHS may terminate this MSA with 90 days prior written notice.

7.3 Termination by E2: E2 may terminate this MSA for any reason with 90 days prior written notice to OPRFHS.

7.4 Good Faith Effort by OPRFHS and E2: OPRFHS and E2 shall make a reasonable, good faith effort to resolve any disputes before terminating this MSA.

7.5 Rights on Termination: Upon any termination of this MSA, OPRFHS shall pay E2 for services rendered through the date of termination.

8. Terms of Agreement E2 shall begin its work under this MSA on the date identified on the Device Price List, attached hereto and incorporated herein as Exhibit 1, to this MSA. This date shall be defined as the "Commencement Date." This MSA shall run from the Commencement Date to 2 full years after the Commencement Date. At the conclusion of 2 full years, OPRFHS and E2 shall have the option to renew by mutual written agreement this MSA under the same or revised terms and conditions.

9. SERVICES TO BE PROVIDED BY E2

9.1 Monitoring, Maintenance, and Management of IT Systems: E2 will monitor, maintain, and manage, OPRFHS's Windows Servers and network infrastructure as defined herein. E2 will provide these services 24 hours a day, seven days a week for the duration of the MSA. A technician from E2 will be onsite 1 day per week. The day will be agreed to by both parties.

9.1.1 Windows Managed Services: E2 will monitor, perform maintenance on, and manage the following aspects of OPRFHS's Windows systems:

A. General monitoring and management

- a. Documenting software and hardware changes;
- b. Testing and performing backups with restores;
- c. Monthly reports of work accomplished, work in progress
- d. Review and notification of expiring maintenance and support agreements.

B. Systems monitoring and management

- a. Ensuring that server services are running;
- b. Keeping Service Pack and Hot fixes current as per company policy;
- c. Monitoring event log of every server and identifying potential problems;
- d. Monitoring hard drive free space on server;
- e. Rebooting servers if needed;
- f. Running defragmentation and checking disks on all drives;
- g. Scheduling off time server maintenance;
- h. Installing software updates to current software version.
- i. Determining logical directory structure, implement, MAP, and detail;
- j. Set up and maintain groups (accounting, administration, printers, sales, warehouse, etc.);
- k. Coordinate all LAN updates with all involved parties; and
- l. Clean and prune directory structure to keep efficient and active.
- m. Monitor system specific disk usage, cpu usage, etc.
- n. Administration/problem resolution on servers.

C. Network monitoring and management

- a. Checking router logs;
- b. Monitor DSU/TSU, switches, hubs, and internet connection, and make sure these are "green" (available for SNMP manageable devices only);
- c. Software and hardware updates to network backbone.

- d. Firmware updates on switches; and
- e. Administration/problem resolution on switches.

D. Security monitoring and management

- a. Check firewall logs;
- b. Firewall Rule changes;
- c. Client VPN additions;
- d. Confirm that antivirus definition auto updates have occurred;
- e. Confirm that emergency virus updates have occurred;
- f. Confirm that backup has been performed on a daily basis;
- g. Create new directories, shares, and manage account policies;
- h. Permissions and file system management;
- i. Firewall administration/problem resolution.

E. Applications Monitoring

- a. Directory replication;
- b. DNS replication;
- c. SQL server monitoring; and
- d. Overall application disk space management.

F. SQL Server monitoring and management

- a. Creating user databases
- b. Setting database options
- c. Managing user database size
- d. Organizing database files
- e. Managing access to SQL Server
- f. Create user accounts and roles, as defined by Customer.
- g. Backing up databases, files, file groups and transaction logs
- h. Restoring user databases
- i. Restoring and rebuilding system databases.
- j. Remediate issues arising from the monitoring system

G. Exchange monitoring and management

- a. Maintain hotfixes, service packs, update rollups, and security updates;
- b. Set database options;
- c. Managing user database size
- d. Overall application disk space management.
- e. Remediate issues arising from the monitoring system

9.1.2 Excluded from Windows Managed Services: E2 will not be responsible for maintaining and managing problems caused by network outage, hardware failure, application software, and third party software, except for any third party software identified in Exhibit 1. All third party software that would be covered under this MSA would require a contract between OPRFHS and the third party software owner. If OPRFHS desires E2 to maintain and manage network outage, hardware failure, application software, and third party software problems E2 will be compensated on a time and materials basis at an hourly rate of \$95.00 – (This rate was negotiated by your local LTC).

10. Non-critical Alert/Event Maintenance: E2 must contact OPRFHS's Operations Manager or other designated contact at least five days before performing any non-critical maintenance to OPRFHS's IT system. E2 shall be permitted to proceed with the non-critical maintenance before the five days have expired if OPRFHS informs E2 that E2 may proceed with the non-critical maintenance.

11. On-site Access: Should E2 need on-site access to complete the necessary monitoring, maintenance, or management of OPRFHS's IT systems, OPRFHS's Operations Manager or designated contact will provide the on-site access.

12. Notice of Critical Alert/Event: E2 must reasonably notify OPRFHS per OPRFHS's Notification and Escalation Procedures of the occurrence of any "critical alert" or "critical event" within 60 minutes of E2 receiving notice of the critical alert/event as defined in this paragraph. A "critical alert" or "critical event" is any alert or event involving a failure in the availability of the functionality of OPRFHS's IT services or systems.

13. Resolution of Critical Alert/Event: E2 shall use its best and reasonable efforts to have a dedicated resource working on a resolution to any critical alert/event within 60 minutes of obtaining notice of any critical alert/event. The dedicated resource will use its best efforts to fully resolve the critical alert/event. Failure to allocate a dedicated resource within 90 minutes of its notice of a critical alert/event will result in E2's forfeiture of 100% of the monthly monitoring and services charges for the monitored service or system on which the critical alert/event occurred.

14. E2's Reporting and Notification: E2 is responsible for keeping OPRFHS apprised of the status of E2's responsibilities and work under this MSA.

14.1 Upon receiving notice of a critical alert/event, E2 shall notify the OPRFHS Operations Manager or other designated OPRFHS contact of said critical alert/event within 60 minutes of E2's notice of said critical alert/event.

14.2 E2 will produce a root cause analysis and corrective action plan for any managed service that requires corrective action. E2 will use its best efforts to identify in the corrective action plan the party that is responsible for the failure of the managed service. E2 will use its best efforts to ensure that it provides the root cause analysis and corrective action plan to OPRFHS within five days of the occurrence of a critical alert/event. However, it is understood that solving the problem shall take precedence over producing and providing a root cause analysis and corrective action plan and the five days may be extended if necessary. It shall not be a breach of this MSA if the root cause analysis and corrective action plan are not provided within five days.

14.3 E2 will email a monthly status and summary report to OPRFHS's Operations Manager or other designated contact by the 10th of each month regarding the previous month's services, work, critical, and non-critical alerts/events.

14.4 E2 will notify OPRFHS's Operations Manager or other designated contact five days before non-critical maintenance will be performed in order to inform OPRFHS about the maintenance. This notice applies only to non-critical maintenance.

15. COMPENSATION

15.1 OPRFHS Shall Compensate E2: OPRFHS shall pay E2 for its or its agents' services in accordance with the Local Government Prompt Payment Act, 50 ILCS 505/1 et seq, for each month's services under this MSA. Payment shall be made by check or direct deposit. OPRFHS shall compensate E2 on a price per device basis as described in the Device Price List that is attached hereto as Exhibit 1.

15.2 Items Billed on Time and Material Basis: All work performed by E2 outside the scope of the MSA or resulting from failures not covered by the MSA, including, but not limited to, network outage, hardware failure, application software, third party software, will be billed on an hourly time and material basis at the hourly rate of \$95.00 – (This rate was negotiated by your local LTC). The cost for preparing a

service, device, or machine for management shall be billed at 5% of the yearly support cost for that service, device, or machine.

15.3 Reimbursement of Approved Expenses: OPRFHS shall reimburse E2 for expenses incurred by E2 for the maintenance of OPRFHS's IT systems should E2 be required to purchase hardware or software for OPRFHS's benefit. E2 must receive OPRFHS's approval in writing before purchasing such items in order to qualify for reimbursement. OPRFHS shall reimburse E2 for reasonable and appropriate out-of-pocket expenses outside of the Chicagoland area for travel, lodging, meals, and the like incurred by E2 while performing services for OPRFHS. E2 must receive OPRFHS's approval in writing before incurring any such expenses.

15.4 Late Fees: An interest penalty on any late payment shall apply in accordance with the Local government Prompt Payment Act, 50 ILCS 505/1 et seq.

16. General Conditions

16.2 This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns. OPRFHS may not assign this Agreement or any interest therein without the prior written consent of E2, and any attempt by OPRFHS to pledge, assign or otherwise transfer any interest in this Agreement without such prior written consent is not binding and of no effect on E2.

16.3 This Agreement, including its exhibits, is the entire agreement between the parties with respect to its subject matter, and supersedes and replaces all agreements, negotiations, representations and prior written or oral understandings. This Agreement, including its exhibits, may not be amended, modified, or changed in any way except as approved in writing by both parties.

16.4 The failure of either party to enforce any provision of this Agreement will not be construed to be a waiver of such provision or of the right of such party thereafter to enforce each such provision. Should any provision, or any part thereof or clause therein, of this Agreement be held unenforceable, or invalid, or in conflict with the law of any jurisdiction, such provision, part or clause shall be inoperative only in such jurisdiction; the enforceability and validity of the remaining provisions, parts and clauses of this Agreement shall remain binding, as modified, in such jurisdiction and unmodified in all other jurisdictions upon the parties.

IN WITNESS WHEREOF, E2 and OPRFHS have executed this Agreement to be effective on the Effective Date written above.

AGREED:

Oak Park River Forest High School

E2 SERVICES, INC.

By: _____

By: _____

Title: _____

Title: _____

Exhibit 1

Managed Services Device Price List

Pricing for Managed Services Program (MSP)



E2 SERVICES
TECHNOLOGY SOLUTIONS

440 Treasure Drive
Oswego, IL 60543
tel. 630-527-7100 fax. 630-261-5570

QUOTE

Number E2SQ2180

Date Feb 3, 2011

Quote prepared for:
Oak Park River Forest HS Mike Canosolo 201 N Scoville Ave Oak Park, IL 60302 United States Phone (708) 434-3220 Fax

Prepared By	P.O. Number	Terms	
Teresa Albee		NET 30	
Description	Unit Price	Qty	Ext. Price
Managed Services - Monthly Cost 24/7 Support and Monitoring - ALL Windows Servers (includes OS and Server side Applications) - ALL Infrastructure (includes all switches, firewalls and VPN appliances) - Includes an Onsite Technician 1 day per week as needed and Remote Support 24/7	\$12,500.00	12	\$150,000.00
Total			\$150,000.00

Approved By: _____

IN WITNESS WHEREOF AND INTENDING TO BE LEGALLY BOUND, the parties have executed this Agreement on this _____ day of _____, 2009.

Oak Park River Forest High School

E2 Services, Inc.

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Alert Notification Contact List

INFORMATION TECHNOLOGY CONTACT INFORMATION

On-Call Phone

The IT Operations team on-call phone number is:

1 st Helpdesk	708-434-3737
2 nd Jon Wells	630-570-1531
3 rd Mike Carioscio	708-837-7287

IT Operations Manager Contact Information: Mike Carioscio 708-837-7287

Any Additional Numbers _____

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, Chief Financial Officer

DATE: June 14, 2011

RE: Residency Officer Contract and Annual Report

BACKGROUND

Annually the Board of Education is asked to approve contracts with independent workers/vendors for the provisions of various services needed by the District.

The contract being presented for R.W.D. and Associates, Inc. will be the third year of residency confirmation services. The administrators responsible for the work of the R.W.D. Associates have judged the work of the independent workers to be of high quality and of benefit to the District.

SUMMARY OF FINDINGS

The attached contract represents the terms and conditions of the District's relationship. The term and conditions have not been changed from FY 2011, however, a rate increase of 1.5% is proposed for the remuneration of services.

Acceptance of the proposed 1.5% increase would result in the annual rate for residency confirmation services by R.W.D. and Associates, Inc. to be \$49,184, with reimbursement for travel services remaining at \$1,200 annually.

RECOMMENDATIONS (OR FUTURE DIRECTIONS)

To approve the contract of R.W.D. and Associates as presented.

OAK PARK AND RIVER FOREST HIGH SCHOOL

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

June 8, 2011

RESIDENCY REPORT FOR 2010 - 2011

TOTAL CASES REFERRED TO RCO'S FOR INVESTIGATION.....384

Cases are generated by Expired and/or questionable (fraudulent) leases, OPRF staff concerns, Live-in situations, Questionable documents, Questionable guardianship/custody status, State of Illinois Public Assistance records, Return mail, Landlords, Citizens (telephone calls / letters).

TOTAL NUMBER OF INCOMING TRANSFER STUDENTS REFERRED...128

MALES.....67

FEMALES..... 61

TOTAL NUMBER OF INCOMING FRESHMAN TRANSFER STUDENTS....48

MALES.....27

FEMALES.....21

TOTAL NUMBER OF "LIVE-IN" CASES.....44

TOTAL NUMBER OF GUARDIANSHIP / CUSTODY MATTERS.....57

TOTAL NUMBER OF HOMELESS CLAIMS.....17

TOTAL CASES CLEARED..... 236

TOTAL CASES PENDING.....14

(Recently received cases, return mail, or current cases under review)...

TOTAL CASES REJECTED.....129

RCO (S) REJECTIONS..... 83

REGISTRAR & RESIDENCY SECRETARY REJECTIONS.....46

TOTAL CASES TAGGED FOR 2010 -2011 SCHOOL YEAR.....78

(Students are tagged who have moved out of district during the current school year or have had leases that expired and/or have not provided updated documentation to the Registrar's office).

TUITION ASSESSED BY DISTRICT 200.....\$43,183.63

(Not including Residency cases scheduled to be presented to BOE)

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

Professional Services Contract

This Agreement is made by and between Oak Park and River Forest High School District 200, an Illinois unit of local government ("School District") and the professional 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 I: 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:

Service Provider: R.W.D. and Associates, Inc.

District Contact Person: Jeremiah Wiencek, Assistant Principal for Student Services

Address: 847 William Street River Forest, IL 60305

Telephone: 708 - 217 - 4000

Email: ronalddibbern@sbcglobal.net

Fax: _____

Brief Description of Services:

The Provider is responsible for providing the School District with residency confirmation services for identified students/families as determined by the Registrar's Office in keeping with the laws of the School Code of Illinois. The Provider is also responsible for outcome reports on each student/family investigated.

Time Period of Work: July 1, 2011 - June 30, 2012

Service Fee: \$49,184 annually for Residency Confirmation Services

Contract Administrator: Jeremiah Wiencek, Assistant Principal for Student Services

- B. Representations by Provider: The Provider represents that the firm is qualified to perform the Services called for in this Agreement, and has 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 by the Board of Education to represent its interests.

SECTION 2: SCOPE OF SERVICES

- A. Retention of the Service Provider: The School District retains 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 June 30, 2012.
- C. Direction: The Provider shall receive and follow instructions regarding the work from the Assistant Principal for Student Health and Safety (Contract Administrator"); provided, however, that no employment relationship shall be created by such instructions, and the 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 approved 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 the 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: The Provider shall be responsible for any and all federal, state and local taxes, of any kind, applicable to the services provided, and any taxes, contributions, premiums for unemployment insurance and FICA arising from the services provided. Furthermore, the Provider shall be responsible for fees related to the use of any patented, copyrighted or trademarked material, equipment, tool, supplies, devices, processes or inventions used in the provision of services to the School District. 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. Personnel: This Agreement is for the services of the Provider named in Section IA (R.W.D. and Associates Inc.). The School District intends and expects that the Services called for by this Agreement shall be provided by R.W.D. and Associates Inc. and that no substitution of other firms will occur without the expressed written agreement of the School District.
- B. Availability: Provider warrants that the firm is available and qualified to perform the services called for during the term of this Agreement.
- C. Subcontractors: Employees of the Provider shall perform the services required. 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. 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.
- D. Removal of Personnel or Subcontractors: If in the assessment of the School District, the Provider or subcontractor(s) fails 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 written notification to the Provider regarding the unsatisfactory performance. Upon such notification, the Provider will assess the allegation(s) and discuss it with the Contract Administrator in an effort to achieve 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 of an immediate end to the relationship with the Provider. If any of the Provider's personnel or subcontractors fails to perform the Services in a manner satisfactory to the School District, the Provider shall, upon notice, immediately remove and replace 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.
- E. Background Check and Medical Examination: By the execution of this Agreement, the Provider warrants that the Provider and any of the Provider's personnel or subcontractors who will or may enter upon School District grounds or facilities, or come into contact with students or School District employees, shall have undergone a criminal background investigation and shall have been determined not to have committed any offense described in 105 ILCS 5/10-21.9(c). Further, Provider warrants that any such personnel or subcontractors shall have submitted to a physical examination and have been determined to be free of any communicable disease, including hepatitis and tuberculosis.

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; and user information, including without limitation, any information pertaining to usage of the School District's computer system, including without limitation, any information obtained from server logs or other records of electronic or machine readable form during 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 the firm 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 belonging to the School District..
- 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 term 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 exercised by recognized firms and individuals in the performance of 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.

- C. Insurance: Provider shall, during the term of this Agreement, maintain in effect insurance policies for general comprehensive liability, automobile liability, and professional liability, Contemporaneous with the Provider's execution of this Agreement, the Provider shall provide certificates and policies of insurance, all with coverages and limits acceptable to the School District, and evidencing minimum insurance coverages and limits of not less than \$1 million/\$3 million for GCL and professional liability and \$100,000/\$300,000 for automobile liability, 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, the 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 with a company acceptable to the School District and from companies with a general rating of A, and a financial size category of Class V or better as listed 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 coverages 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 required services. Nothing in or done pursuant to this Agreement shall be construed (i) to create the relationship of principal and agent, employer and employee, partners, or joint venturers 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 the Provider's knowledge, no School District employee or agent has an interest in the business of the Provider or this Agreement; (ii) 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 (iii) 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, 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 the firm will be in complete compliance with the School Code of Illinois Sexual Harassment rules and regulations as described in Section 775 ILCS 5/2-105(A)(4) of the School Code.
- E. Termination: Notwithstanding any other provision hereof, the School District or the Provider may terminate this Agreement at any time with 30 days written notice. In the event that this Agreement is so terminated, the Provider shall be paid for services actually performed and approved reimbursable expenses actually incurred, if any, prior to termination, 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 this Agreement, unless terminated pursuant to the terms of this Agreement, shall be the beginning and ending of the School District's fiscal year or as otherwise agreed upon. At the conclusion of this Agreement services of the Provider must be completed or completed at some other date as may be mutually agreed upon. 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 thereof by the Provider.
- G. Default: If it should appear at any time that the Provider has failed or refused to execute, or has delayed in the execution of the services of this Agreement at a rate that assures completion of the services in a timely manner, or has otherwise failed or refused to satisfy the service expectations of this Agreement and fails to take corrective action (Event of Default) within ten business days after the Provider has received 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. Cures by Provider. The School District may require the Provider, within a reasonable time period 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 without liability for further payment of amounts due or to become due under this Agreement with the submission of a 30-day written notice of termination to the Provider.
 - 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 District.
- K. Mutual Cooperation: The School District agrees to cooperate with the Provider in the performance of the services required under this Agreement, including meeting with the Provider and providing the Provider with such confidential and non-confidential information that the School District may have that may be relevant and helpful to the Provider in the performance of the services. The Provider agrees to cooperate with the School District in the performance of and the completion of the services.
- L. News Releases: The Provider shall not issue any news releases or other public statements regarding services performed under this Agreement without prior approval from the School District.
- M. Ownership: Designs, drawings, plans, specifications, photos, reports, information, observations, calculations, 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.

SECTION 8: GENERAL PROVISIONS

- A. 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.
- B. Assignment. This Agreement may not be assigned by the School District or by the Provider without the prior written consent of the other party.
- C. Binding Effect. The terms of this Agreement shall bind and inure to the benefit of the Parties hereto and their agents, successors, and assigns.
- D. 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 to:

Jeremiah Wiencek, Assistant Principal for Student Services
Contract Administrator
Oak Park and River Forest
High School District
201 N. Scoville
Oak Park, IL 60302 2296
Phone: 708 – 434 - 3208
Fax: 708-434-3921
E-mail: jbishop@oprfs.org

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

R.W.D. and Associates, Inc.
847 William Street
River Forest, IL 60305
Phone 708 – 217 - 4000

- E. 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.
- F. 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.
- G. Time: Time is of the essence in the performance of this Agreement.
- H. Governing Law: This Agreement shall be interpreted according to the internal laws, but not in conflict of laws, rules or regulations of the State of Illinois.
- I. Entire Agreement: This Agreement constitutes the entire agreement between the parties and supercedes any and all previous or contemporaneous oral or written agreements and negotiations between the School District and the Provider with respect to the Services.
- J. 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.
- K. 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.
- L. 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.
- M. 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 23rd day of June 2011:

OAK PARK AND RIVER FOREST HIGH SCHOOL DISTRICT 200

By _____
Cheryl Witham, Chief Financial Officer

Date_____

By _____
Jeremiah Wiencek, Assistant Principal for
Student Services/Contract Administrator

Date_____

By _____
Ronald W. Dibbern, for R.W.D. and
Associates, Inc/Service Provider

Date_____

APPENDIX A
Description of Work

The Provider is responsible for providing the School District with residency confirmation services for identified students/families as determined by the Registrar's Office in keeping with the laws of the School Code of Illinois. The Provider is also responsible for outcome reports on each student/family investigated. Such services will be provided during the school term, which is the period July 1, 2011 – June 30, 2012.

1. QUALIFICATIONS. The Provider shall be a professional with prior experience in residency confirmation work or with experience in law enforcement. Employees of the Provider are expected to conduct themselves with the highest degree of ethical and professional standards.
2. SUPERVISION: The Provider is considered to be an independent contractor with the freedom to establish a schedule for completing the required work in a manner that satisfies the regulatory requirements of the School District. The School District shall designate a certified School District administrator, the Assistant Principal for Student Health and Safety, as the contact person for the Provider. Questions related to the required work shall be directed to the Assistant Principal for Student Health and Safety.
3. DUTIES: It is hereby agreed and understood that the Provider will perform the following duties:
 - (A) Provide residency confirmation services.
 - (B) Provide written reports and other required documents in a timely manner.
 - (C) Communicate regularly with the Assistant Principal for Student Health and Safety.
4. HOURS: There are no required hours under the terms of this Agreement. However, the Provider must have sufficient flexibility so as to assist the School District in meeting the residency confirmation needs of the School District. The Provider must be available during the school term, July 1, 2011 – June 30, 2012.
5. EQUIPMENT AND SUPPLIES. Equipment and supplies and any other necessary materials to carry out the duties shall be provided as mutually agreed upon between the School District and the Provider.
6. SECRETARIAL SERVICES. The School District shall not provide secretarial services to the Provider. However, the School District will make available appropriate office workspace.
7. EXCLUSIVE SERVICES. There is no exclusive right to service between the School District and the Provider.
8. REFERRAL FOR SERVICE. The Provider is prohibited from referring residency confirmation cases to other vendors without the expressed written permission of the School District.
9. ACCESS TO RECORDS. In accordance with all applicable federal laws and regulations, the School District agrees to give the Provider access to records necessary to facilitate the required work. All needed student records and release of information forms shall remain the property of the School District and shall be held in the strictest confidence.

APPENDIX B

Compensation

1. The School District shall pay to the Provider an annual fee of \$49,184 for residency confirmation services.
2. Normal mileage and expenses incurred for travel related to the completion of services required by the terms of this contract will be reimbursed in the amount of \$1,200 annually.

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

DATE: June 14, 2011

RE: Legal Counsel

BACKGROUND

The Board of Education has requested a review of the current structure the District uses for legal services. It was determined that the Finance Chair and the CFO would consider the question and make a recommendation to the Board of Education.

SUMMARY OF FINDINGS

The Finance Chair and the CFO met to discuss the topic of legal counsel. In their discussion it was decided that the most cost effective method overall relates to expertise in specialized school district law and other specialized areas of law. The objective would be to secure legal advice from experts in each field for the best price possible. It was decided to begin by asking DLT members to reconsider use of legal counsel in their respective areas with two criteria in mind a) experts in the field and b) a lower cost expert alternative for a second lawyer for some issues not needing lawyer presence or immediate response.

Cheryl Witham then asked each DLT member to recommend two lawyers with expertise in their respective areas. The attached chart reflects the recommendations. This is a working document at this point.

RECOMMENDATIONS (OR FUTURE DIRECTIONS)

Discussion concerning the topic of legal counsel for next school year.

BOARD APPROVED ATTORNEY'S LIST

[illegible]

***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: June 14, 2011

RE: Thrive Counseling Center Contract

BACKGROUND

The District has contracted for services related to Resource Managers and a Drug Free and Safe School Counselor for many years. The District has contracted for all of these services with Thrive Counseling Center.

SUMMARY OF FINDINGS

This contract is the same as last year with an increase of 2% for a total contract value of \$310,297 per school year. We are changing the title of the Substance Abuse Counselor to Substance Abuse Preventionist/Counselor. We will be interviewing for this position, there will also be four Resource Managers.

RECOMMENDATIONS

The Board of Education to approve the contract with Thrive Counseling Center at the June 23rd Regular scheduled Board of Education Meeting.

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

Professional 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 professional 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:

Service Provider: Thrive Counseling Center

Contact Person: Daniel J. Kill, President/CEO

Address: 120 S. Marion St., Oak Park, IL 60302

Telephone: 708-383-7500 Ext. 104

Email: dkill@thrivecc.org FAX: 708-383-7780

Employee's Name: TBD Substance Abuse Counselor,
Debbie Schwab, Blessing Uchendu, Annie Hostetter and Lonnie
Chambers as Resource Managers.

Brief Description
of Services: One Substance Abuse Prevention Counselor and Four Resource
Managers of the Community Support Services Program, to provide
school/agency student assessment, intervention, referral and linkage
services between the School District and the communities of Oak Park
and River Forest.

Time Period of Work: August 23, 2011 – June 08, 2012

Fee/Rate: \$310,297

Contract Administrator: Jeremiah Wiencek, Assistant Principal for Student Services

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 retains the Provider to perform, and the Provider agrees to perform, the work described in Appendix A and B 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 June 30, 2011.

C. Direction. The Provider shall receive and follow instructions regarding the work from the Assistant Principal of Student Services (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 C, 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. Key Project Personnel. This Agreement is for the personal Services of Margo Bristow, Substance Abuse Counselor, Resource Managers- Debbie Schwab, Maria Arroyo, Lonnie Chamers and one other Resource Manager to be determined. The School District intends and expects that the Services called for by this Agreement shall be provided by said person(s) and by no other. The assignment of said person(s) by Provider to perform the work is an express condition of this Agreement, and no substitution of personnel shall be acceptable except as agreed upon between the School District and the provider and as described in Appendix A and B.

B. 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.

C. 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.

D. 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.

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, including without limitation, 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. Contemporaneous with the 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 Time 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.

SECTION 8. GENERAL PROVISIONS.

A. 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.

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

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

D. 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:

Assistant Principal of Student Services
Contract Administrator
Oak Park and River Forest
High School District
201 N. Scoville
Oak Park, IL 60302 2296
Phone:
Fax: 708-434-3910
E-mail: _____

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

Daniel J. Kill
Thrive Counseling Center
120 S. Marion St.
Oak Park, IL 60302
Phone: 708-383-7500 Ext. 104
Fax: 708-383-7780
E-mail: dkill@thrivecc.org

E. 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.

F. 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.

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

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

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

J. 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.

K. 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.

L. 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.

M. 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

By _____
Title President, Board Of Education

Attest:

Title _____

SERVICE PROVIDER
THRIVE COUNSELING CENTER

By _____
Title President/CEO

Appendix A

TITLE: SUBSTANCE ABUSE PREVENTIONIST/COUNSELOR

This is a full-time, 10-month (school year) Mental Health Worker II position at *Thrive Counseling Center* based at OPRF High School.

Job Purpose: To work with the high school student population to provide effective drug and alcohol prevention; assessment, referral, and linkage to outside services; and short-term counseling and relapse-prevention services.

Responsibilities:

- ! Prevention Programming: Provides effective drug and alcohol prevention programming that addresses the unique needs of the OPRFHS student population and is designed to become an integral part of the high school milieu. To include but not be limited to the following:
 - Life Skills development with an emphasis on substance abuse prevention
 - The “Snowball” program
 - Monthly theme-based projects and events promoting substance abuse deterrence
- ! Assessment, Referral & Linkage Services: Provides substance abuse and mental health assessments; make treatment recommendations; assist with linkage to recommended services; provide appropriate clinical documentation; and submit statistics on a monthly basis which capture the number of student contacts and other relevant data.
- ! Clinical Intervention Services: Provides short-term crisis intervention services as well as group counseling focused on prevention, early-intervention, and recovery maintenance.
- ! Consultation & Education: To act as a resource to staff, OPRFHS parents, and the larger community (e.g., by being accessible for consultation and by providing education within the school and the community as needed).

Special Skills and Abilities Required:

- ! Excellent interpersonal skills needed to be able to engage and then effectively work with students, OPRFHS personnel, and the community at large.
- ! Writing and organizational skills necessary to design and implement quality programming and to assess its effectiveness.
- ! Collaborative leadership skills needed to be able to work effectively with an array of individuals and systems concurrently.
- ! Motivational Interviewing skills that can be applied when working with students and parents regarding substance abuse deterrence and intervention.

Accountability:

- ! Will be directly accountable to the Coordinator of Comprehensive Youth Services.
- ! Will receive administrative direction administrative direction on site (at OPRFHS) from the designated OPRFHS staff.
- ! Will adhere to all agency and personnel policies and procedures.

Physical Demands:

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

- ! While performing the duties of this job, the employee is frequently required sit; use hands to finger, handle, or feel; and reach with hands and arms.
- ! Specific vision abilities required by this job include close vision, distance vision, depth perception and ability to adjust focus.

- ! The employee is required to transport self from the high school campus to Thrive and students' homes.
- ! Routine in-school responsibilities, including student interaction, both in school and in the community.

Qualifications:

- ! Master's Degree in Social Work, Counseling, or a related behavioral health field.
- ! Current certificate in alcohol dependency counseling (CADC); or eligibility for certification
- ! A minimum of 2 years of professional experience working in an ATOD- Prevention or related capacity – ideally with adolescents.

APPROVED: _____
Daniel J. Kill, LCSW, BCD
President/CEO

ACCEPTED: _____

Date: _____

Date: _____

APPENDIX B
Description of Work for Four Resource Managers

1. **QUALIFICATIONS:** The professionals provided by Thrive Counseling Center (Thrive) to the School District for the positions of Resource Manager of Community Support Services shall be a professional with experience in social work or a mental health related field with a master's level of education. The School District shall have the right to reject any of Thrive's applicants whose qualifications in the School District's good faith and reasonable judgment do not meet the qualifications and standards established by the School District as necessary to perform the agreed upon services.
2. **SUPERVISION:** Thrive shall be primarily responsible for the professional supervision of the four Resource Managers assigned to the School District. The School District shall designate a certified, district administrator, to assign specific projects and duties to the Resource Manager provided under the terms of this agreement.
3. **DUTIES:** Thrive will provide a professional counselor who will supply the following services in the role of the Resource Managers of Community Support Program. It is hereby agreed that the Resource Managers for Community Support Services shall perform the following duties:
 - Assessment and/or short-term counseling for those high school students in need of psychological support.
 - Referral and assurance of linkage of high school students to community resources, as needed; providing ongoing support and follow-up.
 - Support to families, including family sessions, phone contacts, home visits, and referral to community resources with follow-up to determine successful linkage.
 - Crisis intervention and stabilizations to individual students and families at the high school.
 - Participate as member of school crisis team.
 - Consult with Counselors and Deans and other appropriate school personnel regarding student mental health concerns.
 - Assistance in the development and implementation of school-based programs addressing attendance, conflict resolution, substance abuse, dating violence and other relevant social/emotional issues.
 - Participate in and/or attend selected school activities/events .
 - Maintenance of statistics regarding referrals to the Community Support Program as well as referrals to community agencies.
 - Maintain on-going contact with community agency personnel to obtain updated information regarding programmatic and staffing changes.
 - Participation in school functions as schedule allows (i.e.: OPRFHS Open House, Parent-Teacher Conferences, Eighth Grader Nights, New Teacher Induction Program, etc.).
 - Participation on Pupil Support Service (PSS) team
 - Leadership of group counseling for two or more groups of students facing similar problems (anger, aggression, truancy, family loss, etc.)

4. **SERVICE HOURS:** The Resource Managers for Community Support Services will serve under the term of this contract in hours to be mutually agreed upon of a flexible nature at an average rate of a maximum of 35 hours per week with some evening and weekend work required. When weekend or additional evening work is required the resource manager will, with consultation of the Assistant Pupil for Student Services, flex their schedule prior to or after such events. The Resource Manager's services will be available from August 23, 2011 – June 8, 2011. The Resource Manager shall not be absent from the workplace for more than five (5) consecutive workdays. Family Services & Mental Health Center shall provide a substitute Resource Manager if one of the regularly assigned Resource Managers is expected to be absent in excess of five days.
1. **FACILITIES:** The School shall provide, at its expense, all such space, equipment and supplies as may be reasonably necessary for the Resource Manager to render the services called for in the Agreement.
2. **EQUIPMENT AND SUPPLIES:** Equipment and supplies and any other necessary materials to carry out the duties shall be provided as mutually agreed to between the School District and the Agency.
3. **SECRETARIAL SERVICES:** The School District shall provide the four Resource Managers with an office work space and appropriate and necessary secretarial support services on School District property.
4. **EXCLUSIVE SERVICES:** The School District will not recruit or hire the Thrive staff member at any time during the contract, nor for a period of two years following the termination of this contract.
5. **REFERRAL FOR SERVICE:** The Resource Managers are prohibited from (1) exclusive routing of clients to Family Service for services, and (2) engaging in private, professional contact with clients in any external service provisions in which they may be engaged in the community.
6. **ACCESS TO RECORDS:** In accordance with all applicable federal laws and regulations, the School District agrees to provide the four Resource Managers access to necessary records to facilitate student services. All necessary access documents and release of information forms, shall be obtained when materials are shared between the school and agency.

APPENDIX C
Compensation

1. The School District shall pay to Thrive Counseling Center the total sum of \$310,297 for all services performed during the full 10 month term of the agreement, unless such agreement is earlier terminated. Thrive shall be paid by the School District in monthly installment payments of \$310,297. The School District shall remit these monthly payments to Thrive upon receipt of a statement of services from Thrive.
2. Mileage incurred with travel between sites to provide services shall be reimbursed by Thrive to the one Substance Abuse Counselor and the four Resource Managers and shall not be the responsibility of the School District.

***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: June 14, 2011

RE: Property and Casualty Liability Insurance Renewal

BACKGROUND

COLLECTIVE LIABILITY INSURANCE COOPERATIVE (CLIC)

The District has participated in the CLIC fund for the past twenty one years. The Cooperative has been in existence for twenty-nine years. This Cooperative consists of 161 school districts with 478,130 students. Arthur J. Gallagher Risk Management Service, Inc. administrates the Cooperative and bids the insurance renewal every year. The Executive Summary is provided for your review.

EXECUTIVE SUMMARY

The total premium for property, liability and student accident insurance will decrease from \$272,063 from FY 2011 to \$252,254 in FY 2012. This is a 7.3% decrease in premium.

The closeout of School Board Legal claims for 2005 – 2006 has made available a surplus in this account. The amount due to OPRFHS is \$6,554. This will be distributed by check in August.

We have included a list of the policy coverage and limits, premium and self-insured structure and a listing of the carriers. All insurance carriers have an A.M. Best rating of A or better.

RECOMMENDATIONS

The administration recommends that the Board of Education approve the July 1, 2010 property and casualty liability insurance renewal with CLIC at the June regularly scheduled meeting.

Executive Summary

Property/Casualty

As the CLIC Cooperative begins its 29th year of service to the Illinois School Districts, it continues to position itself with greater financial strengths, and is one of the premier risk-bearing Educational Cooperatives in the United States.

As we began our negotiating efforts for the 2011-2012 renewal term, Japan's devastating earthquakes and tsunami occurred. This disaster will have worldwide repercussions for many years to come. Insurance analysts estimate that the cost of this disaster will exceed \$90 billion. This loss will provide the impetus to have carriers begin the re-rating of the Property/Casualty insurance coverages. A similar impact occurred post 9/11/2001.

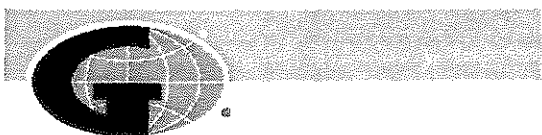
Analysts agree that this disaster will be the most costly to the insurance industry since 1970 and will rank very close to Hurricane Katrina.

Fortunately our 2011-2012 marketing efforts and negotiations were well under way when the disaster struck. We did see an excess Property carrier who previously released a quotation before the disaster struck, pulled their quotation, and reissued a quotation with higher rates and restructured coverage limits.

Our membership continues to utilize effective risk management techniques. We are seeing our members are doing an excellent job requiring that third-party vendors give evidence to the District that they have proper coverage and limits. This effective risk management practice has helped the Cooperative avoid costly litigation expenses.

During this past policy term, the CLIC Cooperative has accomplished numerous goals. Examples of these are as follows:

- Working with Gallagher Bassett Services, Inc., we did a study and review of legal litigation expenses and how we can possibly reduce those expenses. After much study, the Cooperative, along with Gallagher Bassett Services, Inc., hired The Legal Services Group. This firm, beginning with our July 1, 2011 renewal, will be implementing new claim and legal procedures that each of the CLIC approved legal counsel firms will have to meet. The desired effect will be to reduce legal litigation expenses.



Arthur J. Gallagher Risk Management Services, Inc.

Proposal of Insurance for:

- Through controlled growth two new members joined the Cooperative.
- Conducted a study with CLIC's actuarial firm Milliman & Company on potential alternatives to allocate members' loss fund contributions.
- The CLIC Self-Insured Workers Compensation Program added three quality districts, bringing total membership to 121 districts.

In regards to the CLIC 2011-2012 Package renewal, we conducted a very extensive marketing effort. We approached two carriers and received six viable alternatives to the present program. It is important to note that the Cooperative's property value exposure increased by 4% and vehicle exposures increased by 2%. Our recommended carrier has given us a substantial reduction in our required loss fund contribution and also has given us a premium reduction.

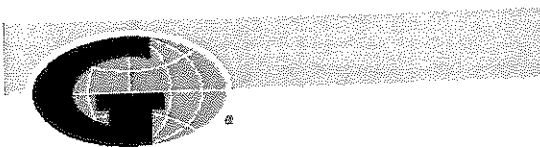
In regards to our Excess Property coverage, we approached the alternative carriers and received quotations. In spite of the total insured values increasing by 4%, we have received a **9% rate reduction**, which equates to over \$147,000 in premium reduction.

Our second Excess Property carrier, the Chubb Insurance Company, in spite of the 4% increase in total insured values has given us a **6% rate reduction**.

Our Boiler carrier, the Chubb Insurance Company, has again offered a competitive renewal by reducing their rate by 4% in spite of our rating exposures increasing by 4%.

The School Board Legal Liability carrier, Illinois National Insurance Co. (Chartis), has offered a competitive renewal with a **12% reduction in rate** and an **5% rate reduction** in the required loss fund.

Our Excess Liability coverage and the renewal terms for the 2011-2012 policy term will remain competitive. It is important for all CLIC member districts to realize that our Excess Liability carrier during the past two years had to pay a large \$8,500,000 settlement for a serious Automobile claim. In addition, the Cooperative currently has four pending General Liability cases where the reserves are set close to \$500,000. \$850,000 on each case.



Arthur J. Gallagher Risk Management Services, Inc.

All of the members of the CLIC Excess Liability programs will have a \$40,000,000 per member limit for Sexual Abuse and a \$36,000,000 per member limit for Employment Practices Liability. **There is no other local program or carrier that can offer those types of limits for these coverages.**

Our primary Excess Liability carrier, the Genesis Insurance Company has given us a **8% rate reduction.**

Our secondary Excess Liability carrier has given us a **flat renewal.** We looked at alternative pricing structures for this program.

The Student Accident Program will see very competitive renewal pricing. We looked at alternative pricing structures for this program. It is evident that this program is well utilized by our membership based upon the number of claims that are filed each year. This is attributed to the state of our economy. More claims are being filed where the Student Accident coverage is the only coverage available. This program helps protect the Cooperative's loss fund dollars.

We continue to realize the financial difficulty that our districts face due to state budget reductions. That is one of the main reasons that our strategic carrier partners have been selected to provide coverage for the CLIC members.

These carriers have been selected not only for their immediate benefit they bring to the Cooperative, but also in the long run they will be available to meet their financial obligations.

As we continue in these trying economic times, it is important to have a broker and program administrator who have the experience and expertise dealing with public schools. We continue to see new "brokers" enter the school marketplace. Unfortunately these brokers or agents are generalists and have very little experience or expertise in dealing with school-related coverages such as Employment Practice Liability issues, Sexual Abuse issues, and vital loss control issues.

As CLIC beings its 29th year of service to Illinois school districts, one premise has always applied to the program and it still does today. That premise is that the CLIC program has allowed each district to truly control their own destiny.



Looking at the controlled growth and quality districts that have joined the program over the last few years, it is evident that CLIC continues to be a **very competitive and attractive alternative for Illinois school districts.**

We would like to thank each district for your continued support and cooperation during the past year. We really enjoy working and counseling each of you and your staff.

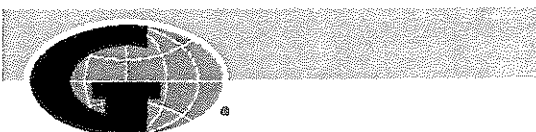
Sincerely yours,



Michael J. McHugh
Area Executive Vice President



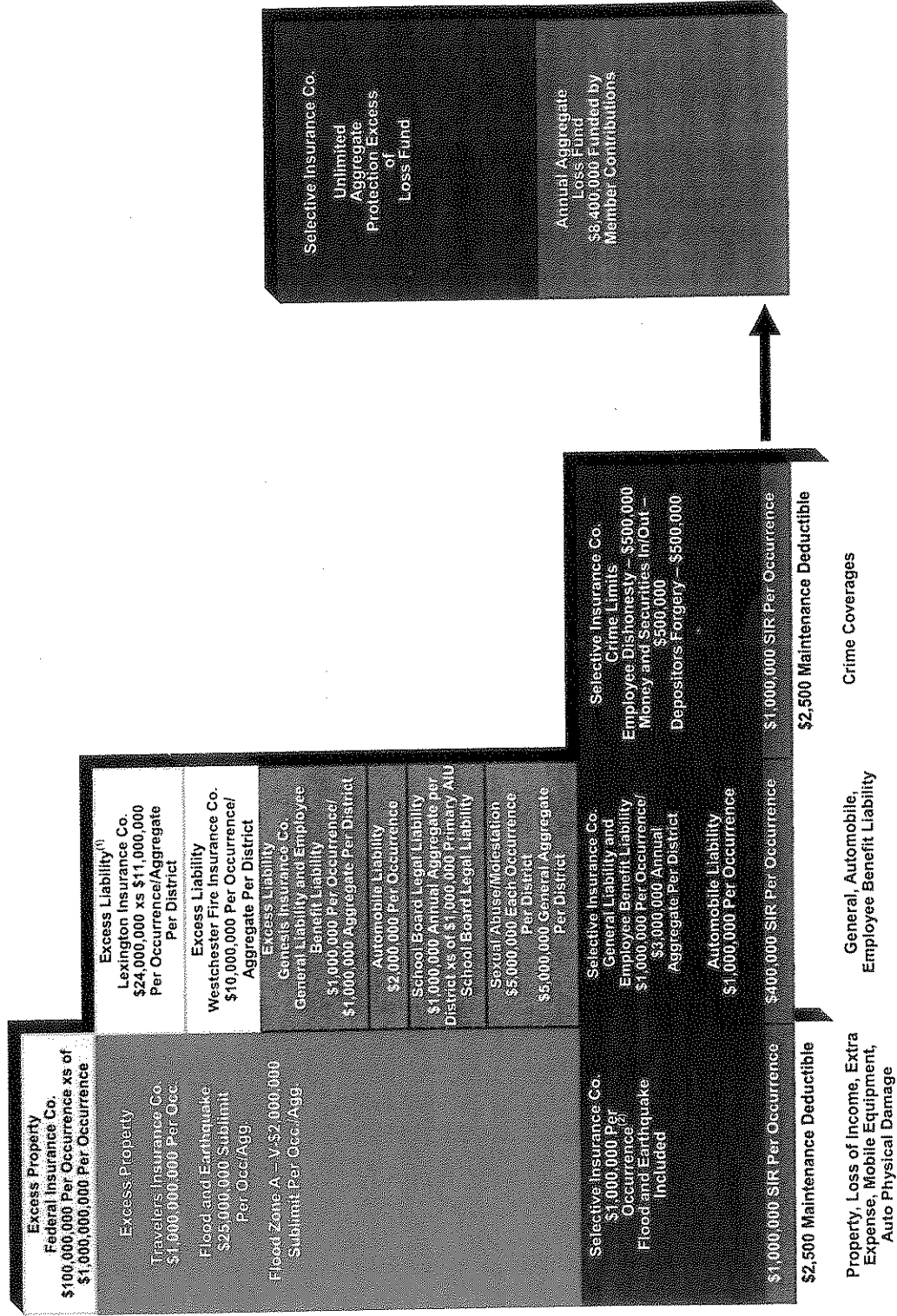
Tyler LaMantia
Account Executive



Arthur J. Gallagher Risk Management Services, Inc.

Proposal of Insurance for:

2011-2012 Secured Self-Insured Program Structure



(1) Sexual Abuse limits on the Excess Liability coverage are \$40,000,000 per member.

(2) Flood subject to those properties in Flood Zone "A" purchasing a Flood Policy through the Flood Insurance Program. SIR for Flood is \$1,000,000 per occurrence.



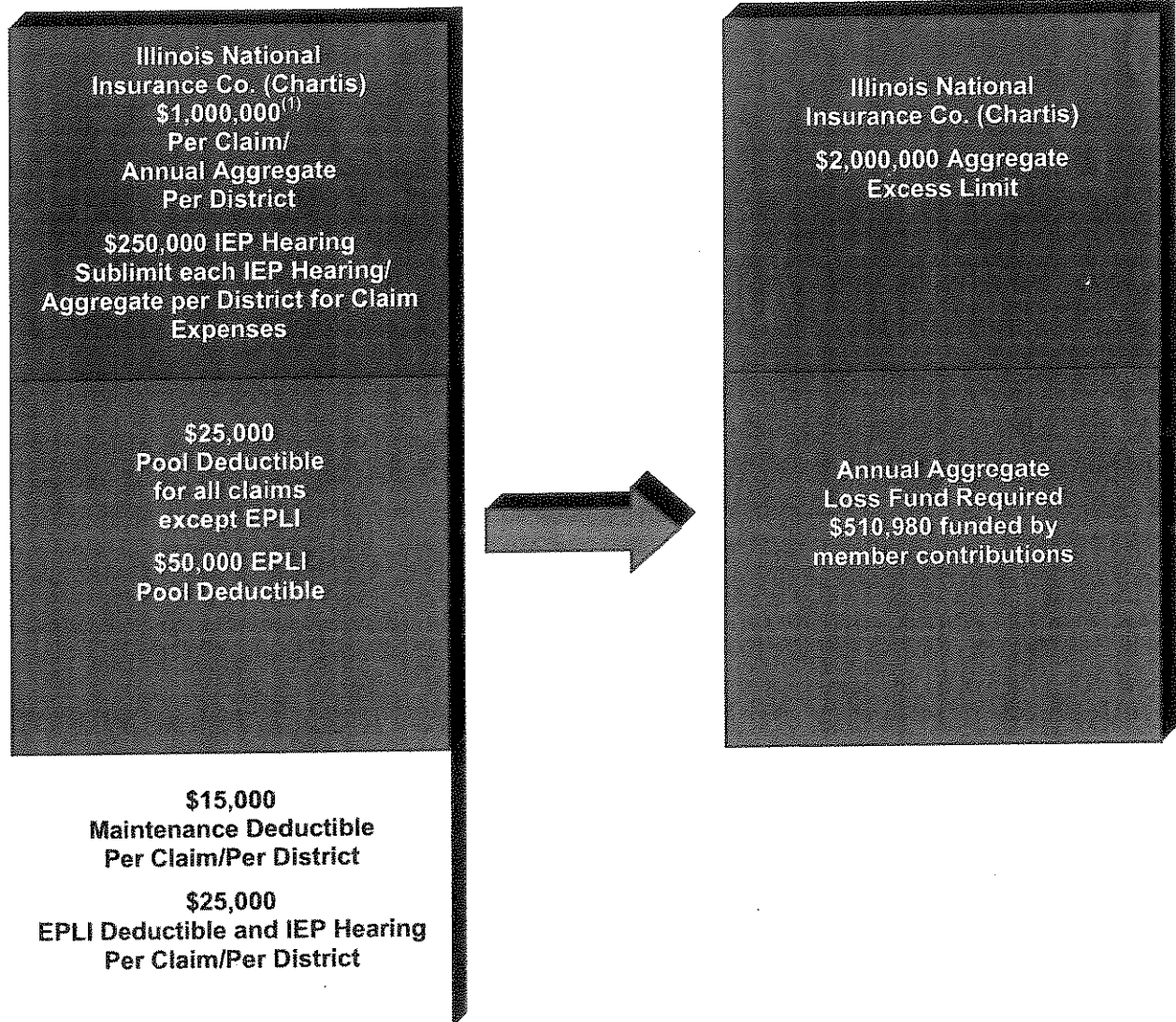
Arthur J. Gallagher Risk Management Services, Inc.

Primary School Board Legal Liability

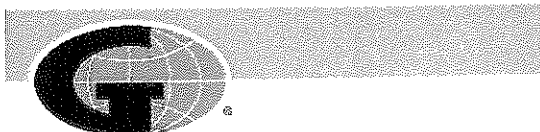
Program Structure

2011-2012⁽¹⁾

161 Members



⁽¹⁾ Excess School Board Legal Liability – Follow Form is provided under the Excess Liability policies except for Employment Practices Liability which provides a \$1,000,000 per occurrence/aggregate per member limit under Genesis policy.



Arthur J. Gallagher Risk Management Services, Inc.

Carrier Ratings and Admitted Status Rating Levels and Categories

Copies of the Best's Insurance Reports on the insurance companies are available upon your request.

Gallagher companies use A.M. Best Company's rating services to evaluate the financial condition of insurers whose policies we propose to deliver. Gallagher companies make no representations and warranties concerning the solvency of any carrier, nor does it make any representation or warranty concerning the rating of the carrier which may change.

Carriers that Quoted	A.M. Best's Rating	Admitted/ Non-Admitted
Selective Insurance Co. of the Southeast	A+ XII	Admitted
Argonaut Insurance Co.	A XII	Admitted
Travelers Indemnity Co.	A+ XV	Admitted
Federal Insurance Co. (Chubb)	A++ XV	Admitted
Illinois National Insurance Co. (Chartis)	A XV	Admitted
Genesis Insurance Co.	A++ XV	Admitted
Westchester Fire Insurance Co.	A+ XV	Admitted
Lexington Insurance Co.	A XV	Non-Admitted
QBE Specialty Insurance Co.	A X	Admitted
Markel Insurance Co.	A XIII	Admitted
Ironshore Specialty Insurance Co.	A- XIII	Non-Admitted
AXIS Global A&H	A XV	Admitted
Berkeley Insurance Co.	A+ XV	Admitted
Sentry Insurance Co.	A+ XV	Admitted
Mutual of Omaha	A+ XV	Admitted
Chartis	A XV	Admitted
Markel Insurance Co.	A XIII	Admitted
QBE Specialty Insurance Co.	A X	Admitted
Gerber Life Insurance Co.	A VIII	Admitted

If the above indicates coverage is placed with a non-admitted carrier, the carrier is doing business in the state as a surplus lines or non-admitted carrier. As such, this carrier is not subject to the same regulations which apply to an admitted carrier nor do they participate in any insurance guarantee fund applicable in that state.
The above A.M. Best Rating was verified on the date the proposal document was created.

Level	Category	Level	Category	Level	Category
A++, A+	Superior	B, B-	Fair	D	Poor
A, A-	Excellent	C++, C+	Marginal	E	Under Regulatory Supervision
B++, B+	Very Good	C, C-	Weak	F	In Liquidation
				S	Rating Suspended

Financial Size Categories					
FSC I	Up to 1,000	FSC IX	250,000	to	500,000
FSC II	1,000	FSC X	500,000	to	750,000
FSC III	2,000	FSC XI	750,000	to	1,000,000
FSC IV	5,000	FSC XII	1,000,000	to	1,250,000
FSC V	10,000	FSC XIII	1,250,000	to	1,500,000
FSC VI	25,000	FSC XIV	1,500,000	to	2,000,000
FSC VII	50,000	FSC XV	2,000,000	to	or more
FSC VIII	100,000				

(In \$000 of Reported Policyholders' Surplus Plus Conditional Reserve Funds)



Arthur J. Gallagher Risk Management Services, Inc.

COLLECTIVE LIABILITY INSURANCE COOPERATIVE
2011-2012 PROPERTY/CASUALTY
PROGRAM COST COMPARISON

District: Oak Park-River Forest School District #200

Fixed Costs	2010-2011 Expiring	2011-2012 Proposed
Package Premium (includes Property, General Liability, Auto Liability and Physical Damage and Crime)	\$14,813	\$14,078
Excess Property \$1,000,000,000	\$26,423	\$24,677
Excess Property \$100,000,000 xs \$1,000,000,000	\$610	\$595
Boiler & Machinery	\$4,655	\$4,639
School Board Legal Liability	\$5,066	\$4,320
Excess Liability \$34MM xs \$1MM	\$8,395	\$7,942
Student Accident - Mandatory	\$14,236	\$17,958
Student Accident - Catastrophic	\$3,192	\$3,200
School Violent Acts	\$610	\$445
Identity Theft	\$3,500	\$3,500
Pollution Liability	\$3,053	\$3,272
Arthur J. Gallagher Risk Management Services Fee	\$11,748	\$11,983
Gallagher Bassett Services Claims Administration Fee	\$4,290	\$4,261
Gallagher Bassett Services Loss Control Fee	\$975	\$995
CLIC On-Line Training Platform (gbriskcontrol.com)	N/A	\$200
Total Fixed Costs	\$101,566	\$102,064
% of Change		0.5%

Variable Costs	2010-2011 Expiring	2011-2012 Proposed
Loss Fund - Package	\$167,034	\$146,990
Loss Fund - School Board Legal Liability	\$3,463	\$3,200
Total Program Contribution on a Maximum Cost Basis	\$272,063	\$252,254

District's Share of Return of \$1,000,000 in Surplus Funds			
Close-out of School Board Legal Claim Year 2005-2006	\$600,000	0.68%	- \$4,052
Allocation of Interest Income- School Board Legal	\$400,000	0.63%	- \$2,502
SUBTOTAL-Allocation of Return Due District			- \$6,554

Net Program Costs Due for July 1, 2011-2012	\$245,700
--	------------------

Statistical Information	2010-2011 Expiring	2011-2012 Proposed	% Change
Total Insurable Values (Including Vehicles)	\$203,255,064	\$210,918,814	3.8%
Students	3,192	3,200	0.3%
Teachers	247	247	0.0%
Vehicles	15	14	-6.7%

Carrier Ratings and Admitted Status Rating Levels and Categories

Copies of the Best's Insurance Reports on the insurance companies are available upon your request.

Gallagher companies use A.M. Best Company's rating services to evaluate the financial condition of insurers whose policies we propose to deliver. Gallagher companies make no representations and warranties concerning the solvency of any carrier, nor does it make any representation or warranty concerning the rating of the carrier which may change.

Carriers that Quoted	A.M. Best's Rating	Admitted/ Non-Admitted
Federal Insurance Co. (Chubb)	A++ XV	Admitted

If the above indicates coverage is placed with a non-admitted carrier, the carrier is doing business in the state as a surplus lines or non-admitted carrier. As such, this carrier is not subject to the same regulations which apply to an admitted carrier nor do they participate in any insurance guarantee fund applicable in that state.

The above A.M. Best Rating was verified on the date the proposal document was created.

Level	Category	Level	Category	Level	Category
A++, A+	Superior	B, B-	Fair	D	Poor
A, A-	Excellent	C++, C+	Marginal	E	Under Regulatory Supervision
B++, B+	Very Good	C, C-	Weak	F	In Liquidation
				S	Rating Suspended

Financial Size Categories					
FSC I		Up to 1,000	FSC IX	250,000	to 500,000
FSC II	1,000	to 2,000	FSC X	500,000	to 750,000
FSC III	2,000	to 5,000	FSC XI	750,000	to 1,000,000
FSC IV	5,000	to 10,000	FSC XII	1,000,000	to 1,250,000
FSC V	10,000	to 25,000	FSC XIII	1,250,000	to 1,500,000
FSC VI	25,000	to 50,000	FSC XIV	1,500,000	to 2,000,000
FSC VII	50,000	to 100,000	FSC XV	2,000,000	or more
FSC VIII	100,000	to 250,000			

(In \$000 of Reported Policyholders' Surplus Plus Conditional Reserve Funds)

Best's Insurance Reports, published annually by A.M. Best Company, Inc., presents comprehensive reports on the financial position, history, and transactions of insurance companies operating in the United States and Canada. Companies licensed to do business in the United States are assigned a Best's Rating which attempts to measure the comparative position of the company or association against industry averages.

A Best's Financial Strength Rating opinion addresses the relative ability of an insurer to meet its ongoing insurance obligations. It is not a warranty of a company's financial strength and ability to meet its obligations to policyholders. View the A.M. Best Important Notice: Best's Credit Ratings for a disclaimer notice and complete details at <http://www.ambest.com/ratings/notice>.

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Arthur J. Gallagher Risk Management Services, Inc.

Proposal of Insurance for:

Collective Liability Insurance Company

Premiums/Fees Comparison: Expiring to Recommended Carriers

Line of Coverage	Expiring Carrier Name	2010-2011 Expiring Premium	Recommended Carrier Name	2011-2012 Renewal Premium*
Fiduciary Liability	Federal Ins. Co. (Chubb)	\$2,100 Each Member	Federal Ins. Co. (Chubb)	\$2,050 Each Member

* A two-year policy (July 1, 2011-2013) will be issued. The premium will be \$2,050 each member, each year.



Arthur J. Gallagher Risk Management Services, Inc.

***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: June 14, 2011

RE: Workers' Compensation Insurance Program

BACKGROUND

The District has been a member of the Collective Liability Cooperative Pool (CLIC) for four years. There are 121 member school districts in the pool. CLIC provides safety inspections and training annually at no additional charge. The District Safety Committee meets quarterly. The CLIC Executive Summary is included.

SUMMARY OF FINDINGS

The District has been assigned a decrease in the average experience modification factor from 1.00 to .87 for FY 2011 - 2012. The premium has decreased from \$268,386 in FY 2010-11 to \$231,273 for FY 2011 - 2012. This is a decrease of \$37,113 or 13.8%.

The Loss Fund contributions of 2010 - 2011, have made available a surplus in this account. The total amount CLIC is returning to their member Districts is \$1,000,000. The amount due to OPRFHS District is \$15,524. This will be distributed by check in August.

RECOMMENDATIONS

The administration recommends that the Board of Education approve the July 1, 2011 CLIC Workers' Compensation renewal at the June regularly scheduled meeting.

Executive Summary

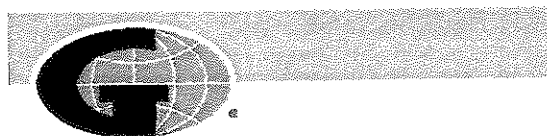
We are pleased to present the July 1, 2011-2012 CLIC Workers Compensation renewal proposal.

The current Workers Compensation marketplace is very limited for Public Entities. Many of the "First Dollar" carriers that previously have written this business have withdrawn from the marketplace due to extensive losses. The alternative is for districts to get into some form of cooperative/pooling arrangement similar to the CLIC Workers Compensation program. One of those programs is basically set up for Municipalities, Cities and Counties. We have always stressed that schools belong in their own homogeneous group. A school district should not be classified with a higher risk exposure such as a City or Municipality that has police, fire, and sewer workers. Those exposures and risks are far greater than the exposure for a school district.

The other alternative that we are seeing more of in this marketplace is the Illinois Assigned Risk Plan. In reality this is the last alternative for districts that have had poor loss experience over the past three years. Carriers do not want to write Public Entities that have experience modification factors that exceed a 1.00. We are seeing some carriers add Scheduled Debits to a risks Modified Premium in order to write the business at a profitable margin.

As CLIC begins their eleventh year as a Self-Insured Workers Compensation Program, the CLIC program continues to be successful. A few of the accomplishments and highlights of the year are as follows:

- Working with the Claims Administrator, Xchanging, each district received information on preferred PPOs that they can utilize in their areas. By using these PPOs, it reduces the overall medical costs of a claim, which in turn lowers the overall claims exposure of the individual district and the cooperative.
- As we have done in the past, CLIC again completed an actuarial study for the 2011-2012 policy term. This allows the cooperative to fund the loss fund at a more precise and actuarially sound level.
- The Loss Control program continues to be a success. Each district is offered a large menu of loss control options. This program has helped reduce the Cooperative's average Experience Modification go from an average of 1.05 five years ago to an average now of .96.



In regard to the 2011-2012 renewal, the members' estimated payrolls increased very slightly for 2011. On January 1, 2011, the National Council on Compensation Insurance (NCCI) raised the State of Illinois classification rates on average by **4.6%**.

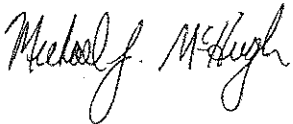
Even with the members' slight increase in payrolls, coupled with the NCCI State of Illinois average rate increase by classification of **4.6%**, the modified premium for the 2011-2012 policy term of **\$23,698,920** is lower than expiring. This is due to the continued favorable trend in the lowering of experience modification factors.

We are pleased to report that we received quotations from two quality carriers. We received and looked at five various options between the carriers. We are recommending the \$650,000 Self-Insured option. We received a premium rate reduction of 7%. This represents a **\$74,274 premium reduction** over expiring. In addition, we are able to negotiate loss fund percentage reduction over the expiring terms. This represents a **reduction over expiring of over \$250,000**.

As noted, the Workers' Compensation marketplace and environment in Illinois is extremely difficult. Our member districts must continue to be diligent and proactive with loss control. By doing this, in the long run your district will see a reduction in losses which means a reduction in your district's Workers' Compensation costs.

We would like to thank each and every district for your support and cooperation with this program.

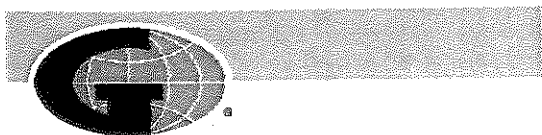
Yours truly,



Michael J. McHugh
Area Executive Vice President

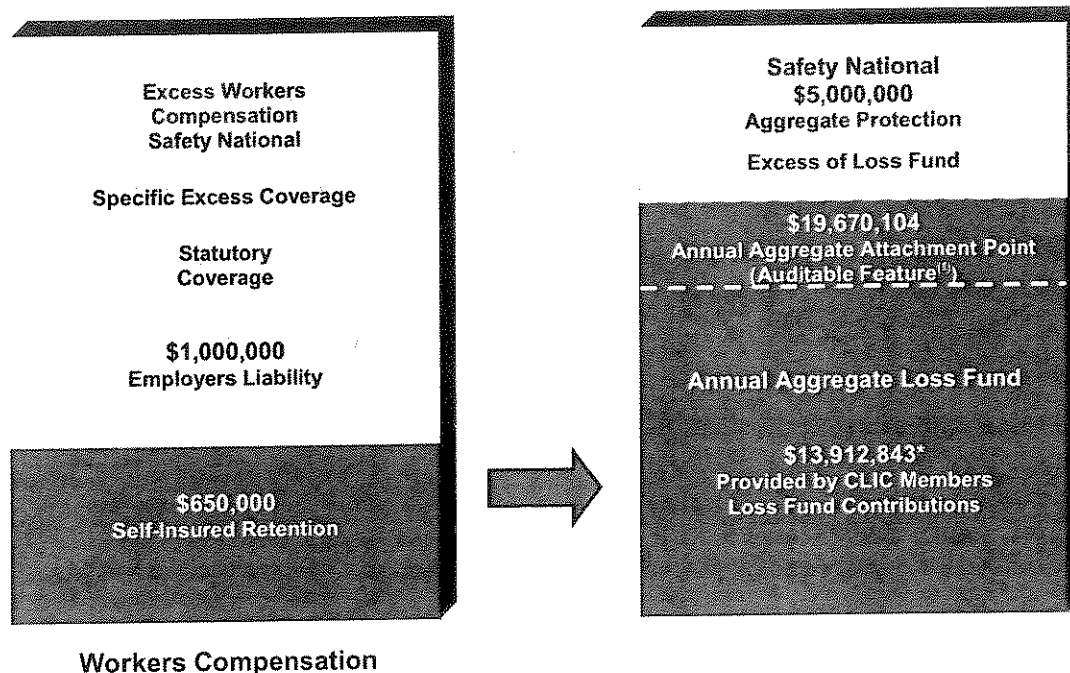


Tyler LaMantia
Account Executive



7/1/2011-2012 Secured Self-Insurance Program Structure Graph

\$650,000 SIR
121 Members

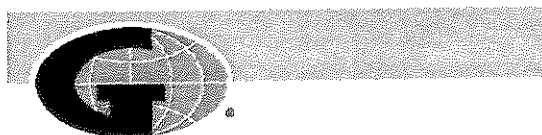


The \$19,670,104 Loss Fund is the maximum Cooperative Loss Fund subject to payroll audit based on the current 121 members. With this program, there is an aggregate (Stop Loss) Insurance Policy. Should CLIC exhaust the Loss Fund, Safety National provides \$5,000,000 aggregate excess coverage above CLIC's total group loss fund.

Please note: Since the Cooperative has built up loss history over the past five years, we submitted CLIC's payroll history and loss history to an actuarial firm so that they could do an analysis of what the proper funding level would be for the Cooperative for the 2011-2012 policy term.

*Loss Fund will be funded at \$12,912,843 of member contributions plus \$1,000,000 of contingency funds for a total of \$13,912,843 for 2011/12 based on membership stated in this proposal.

⁽¹⁾ Auditable feature is the difference between the funded amount and the attachment point (\$5,757,261). Per the last five years each district's auditable dollar amount is identified on their pricing page.



Carrier Ratings and Admitted Status Rating Levels and Categories

Copies of the Best's Insurance Reports on the insurance companies are available upon your request.

Gallagher companies use A.M. Best Company's rating services to evaluate the financial condition of insurers whose policies we propose to deliver. Gallagher companies make no representations and warranties concerning the solvency of any carrier, nor does it make any representation or warranty concerning the rating of the carrier which may change.

Carriers that Quoted	A.M. Best's Rating	Admitted/ Non-Admitted
Safety National Casualty Corp.	A X	Admitted

If the above indicates coverage is placed with a non-admitted carrier, the carrier is doing business in the state as a surplus lines or non-admitted carrier. As such, this carrier is not subject to the same regulations which apply to an admitted carrier nor do they participate in any insurance guarantee fund applicable in that state.

The above A.M. Best Rating was verified on the date the proposal document was created.

Level	Category	Level	Category
A++, A+ Superior	B, B- Fair	D Poor	
A, A- Excellent	C++, C+ Marginal	E Under Regulatory Supervision	
B++, B+ Very Good	C, C- Weak	F In Liquidation	
		S Rating Suspended	

Financial Size Categories			
FSC I	Up to 1,000	FSC IX	250,000
FSC II	1,000 to 2,000	FSC X	500,000
FSC III	2,000 to 5,000	FSC XI	750,000
FSC IV	5,000 to 10,000	FSC XII	1,000,000
FSC V	10,000 to 25,000	FSC XIII	1,250,000
FSC VI	25,000 to 50,000	FSC XIV	1,500,000
FSC VII	50,000 to 100,000	FSC XV	2,000,000
FSC VIII	100,000 to 250,000		

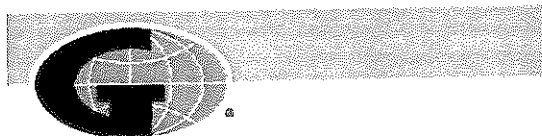
(In \$000 of Reported Policyholders' Surplus Plus Conditional Reserve F

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COLLECTIVE LIABILITY INSURANCE COOPERATIVE
2011-2012 WORKERS' COMPENSATION PROGRAM COST COMPARISON

District: Oak Park-River Forest School District #200

Payroll Information (Payroll information is unaudited)	2010-2011 Expiring	2011-2012 Proposed	% change
7380 – Drivers	\$0	\$0	
8868 – Teachers/Professionals	\$31,161,993	\$33,031,713	
9082 – Cafeteria	\$662,233	\$678,789	
9101 – Maintenance/All Other	\$2,386,767	\$2,422,568	
Total Estimated Payroll	\$34,210,993	\$36,133,070	5.6%
Experience Modification Factor	1.00	0.87	-13.0%
Modified Premium	\$376,939	\$338,570	-10.2%

Fixed Costs	2010-2011 Expiring	2011-2012 Proposed	% change
Workers' Compensation Premium	\$16,208	\$13,543	
AJG Co. Administration Fee	\$11,160	\$10,248	
Xchanging Claims Administration Fee	\$8,414	\$7,862	
Xchanging Loss Control Fee	\$831	\$856	
Total Fixed Costs	\$36,613	\$32,509	-11.2%

Variable Costs	2010-2011 Expiring	2011-2012 Proposed
Loss Fund – Workers' Compensation	\$231,772	\$198,763
Total Workers' Compensation Program Contribution	\$268,386	\$231,273

Return of Interest Income	2010-2011	Amount of Return
Total Funded Loss Fund for Year	\$14,930,365	\$1,000,000
District's Contribution		1.55%
Allocation of Interest Return to District		- \$15,524

Net Workers' Compensation Program Costs Due for July 1, 2011-2012	\$215,749
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Loss Fund	2010-2011 Expiring	2011-2012 Proposed
Loss Fund – 100%	\$314,744	\$281,013
Less Funded Amount	\$231,772	\$198,763
= Auditable Loss Fund (based on payrolls listed above)	\$82,972	\$82,250
* This figure should be budgeted under your Tort Fund		

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

DATE: June 14, 2011

RE: Reduction of Student Fees for Fiscal Year 2011 - 2012

BACKGROUND

The administration reviewed the student registration fees in light of the change to an Instructional Materials fee. The Administration believes that the technology fee of \$25.00 per student can be eliminated at this point. Although, it may be reintroduced in the future if the need arises. In addition the Freshmen testing fee of \$10 is no longer necessary.

SUMMARY OF FINDINGS

<i>Description</i>	<i>Amount 2010</i>	<i>Amount 2011</i>	<i>Amount 2012</i>
<i>Freshman</i>	\$85.00	\$85.00	\$50.00
<i>Sophomore</i>	\$245.00	\$245.00	\$220.00
<i>Juniors</i>	\$60.00	\$60.00	\$35.00
<i>Seniors</i>	\$95.00	\$95.00	\$70.00
<i>Pay to Play</i>	\$50.00	\$55.00	\$55.00

RECOMMENDATIONS (OR FUTURE DIRECTIONS)

To approve the reduced fees for the 2011 – 2012 School Year at the regularly scheduled June Board meeting.

Finance Advisory Committee Update for May 2011

May 16, 2011—The Finance Advisory Committee met to discuss and review

1. the make-up of the Quality Review Committees as defined in the model,
2. the perception of restrictions on meetings and the topic of practice sessions,
3. the possibility of a hybrid QRC in certain circumstances,
4. the procedures for selection of QRC committee members.

The FAC made revisions to the model for BoE approval.

May 17, 2011—The Finance Committee of the Board of Education considered recommended revisions to the FAC model.

May 23, 2011—Cheryl Witham and Kay Foran met to review the presentation materials.

May 26, 2011-- The Board of Education approved a revision to the Quality Review Committee section of the FAC document.

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

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

TO: Board of Education
FROM: Cheryl Witham
DATE: June 14, 2011
RE: Financial Reports

BACKGROUND

It is a requirement that the Board of Education accepts and approves the monthly Financial Reports.

SUMMARY OF FINDINGS

Attached are the Financial Reports for May, 2011.

RECOMMENDATIONS (OR FUTURE DIRECTIONS)

The May, 2011 Financial Reports, will be presented to the Board of Education for approval at the June 23rd , Board of Education meeting.

OAK PARK AND RIVER FOREST HIGH SCHOOL DISTRICT 200

Monthly Financial Statements

May 2011

Education Fund

	<u>Audited</u> <u>2009-2010</u>	<u>Fiscal to Date</u> <u>May 31</u> <u>2010</u>	<u>%</u>	<u>Amended</u> <u>Budget</u> <u>2010-2011</u>	<u>Fiscal to Date</u> <u>May 31</u> <u>2011</u>	<u>%</u>
<i>Receipts</i>						
Property Taxes	47,315,686	47,395,355	100.2%	43,378,031	44,173,865	101.8%
Other Local Sources	3,617,642	3,223,559	89.1%	4,784,883	4,402,103	92.0%
State Sources	2,834,759	2,289,819	80.8%	2,778,640	2,931,170	105.5% 1
Federal Sources	2,607,278	2,374,380	91.1%	1,721,852	1,232,247	71.6%
	<u>56,375,365</u>	<u>55,283,113</u>	<u>98.1%</u>	<u>52,663,406</u>	<u>52,739,385</u>	<u>100.1%</u>
<i>Expenditures</i>						
General Instruction	19,919,270	15,575,964	78.2%	21,745,656	16,694,975	76.8%
Special Education	5,555,934	4,304,714	77.5%	5,310,875	4,027,034	75.8%
Adult Education	20,282	6,000	29.6%	20,539	14,539	70.8%
Vocational Programs	335,859	295,819	88.1%	375,888	284,733	75.7%
Interscholastic Programs	1,963,819	1,700,684	86.6%	2,182,182	1,845,958	84.6%
Summer School	287,451	176,295	61.3%	358,609	165,535	46.2%
Drivers Education	757,147	603,620	79.7%	765,563	603,121	78.8%
Other Instructional	2,801,472	2,289,181	81.7%	2,757,763	1,857,654	67.4% 2
Support Svcs. - Pupil	6,607,062	5,384,145	81.5%	6,740,902	5,386,730	79.9%
Support Svcs. - Admin.	4,625,192	3,967,745	85.8%	4,645,223	3,951,658	85.1%
	<u>42,873,488</u>	<u>34,304,167</u>	<u>80.0%</u>	<u>44,903,200</u>	<u>34,831,937</u>	<u>77.6%</u>
<i>Other Sources/(Uses)</i>						
Transfers fr. Other Funds	1,139,202	1,000,000	87.8%	-	-	N/A
Transfers to Other Funds	(1,000,000)	(1,000,000)	100.0%	-	-	N/A
	<u>139,202</u>	<u>-</u>	<u>0.0%</u>	<u>-</u>	<u>-</u>	
Change in Fund Balance	13,641,079	20,978,946		7,760,206	17,907,448	
Beginning Balance	<u>52,572,102</u>	<u>52,572,102</u>		<u>66,213,181</u>	<u>66,213,181</u>	
Ending Balance	<u>66,213,181</u>	<u>73,551,048</u>		<u>73,973,387</u>	<u>84,120,629</u>	

1. The majority of the actual collections relates to the prior year grants and claims that the state was late in paying to Districts.

2. District started the EAC program this school year and has reduced special education off campus placements and thus lowered the amount it pays for tuition.

OAK PARK AND RIVER FOREST HIGH SCHOOL DISTRICT 200

Monthly Financial Statements

May 2011

Bookstore Fund

	<u>Audited</u> <u>2009-2010</u>	<u>Fiscal to Date</u> <u>May 31</u> <u>2010</u>	<u>%</u>	<u>Amended</u> <u>Budget</u> <u>2010-2011</u>	<u>Fiscal to Date</u> <u>May 31</u> <u>2011</u>	<u>%</u>
<i>Receipts</i>						
Other Local Sources	812,920	687,847	84.6%	875,003	780,901	89.2%
	812,920	687,847	84.6%	875,003	780,901	89.2%
<i>Expenditures</i>						
Support Svcs. - Other	809,034	790,648	97.7%	875,003	864,572	98.8%
	809,034	790,648	97.7%	875,003	864,572	98.8%
Change in Fund Balance	3,886	(102,801)		-	(83,671)	
Beginning Balance	695,840	695,840		699,726	699,726	
Ending Balance	699,726	593,039		699,726	616,055	

Cafeteria Fund

	<u>Audited</u> <u>2009-2010</u>	<u>Fiscal to Date</u> <u>May 31</u> <u>2010</u>	<u>%</u>	<u>Amended</u> <u>Budget</u> <u>2010-2011</u>	<u>Fiscal to Date</u> <u>May 31</u> <u>2011</u>	<u>%</u>
<i>Receipts</i>						
Other Local Sources	2,030,684	1,847,714	91.0%	2,004,570	1,774,555	88.5%
State Sources	7,644	8,739	114.3%	13,987	8,007	57.2%
Federal Sources	193,456	164,511	85.0%	185,828	184,428	99.2%
	2,231,784	2,020,964	90.6%	2,204,385	1,966,990	89.2%
<i>Expenditures</i>						
Support Svcs. - Admin.	2,168,698	1,902,372	87.7%	2,203,288	1,930,561	87.6%
	2,168,698	1,902,372	87.7%	2,203,288	1,930,561	87.6%
Change in Fund Balance	63,086	118,592		1,097	36,429	
Beginning Balance	274,282	274,282		337,368	337,368	
Ending Balance	337,368	392,874		338,465	373,797	

OAK PARK AND RIVER FOREST HIGH SCHOOL DISTRICT 200
Monthly Financial Statements
May 2011

Operations and Maintenance Fund

	<u>Audited</u> <u>2009-2010</u>	<u>Fiscal to Date</u> <u>May 31</u> <u>2010</u>	<u>%</u>	<u>Amended</u> <u>Budget</u> <u>2010-2011</u>	<u>Fiscal to Date</u> <u>May 31</u> <u>2011</u>	<u>%</u>
<i>Receipts</i>						
Property Taxes	6,136,075	6,022,404	98.1%	5,990,710	6,113,792	102.1%
Other Local Sources	2,297,496	2,388,378	104.0%	1,070,966	1,056,669	98.7%
	<u>8,433,571</u>	<u>8,410,782</u>	<u>99.7%</u>	<u>7,061,676</u>	<u>7,170,461</u>	<u>101.5%</u>
<i>Expenditures</i>						
Support Svcs - Admin	8,823,475	5,683,949	64.4%	5,368,583	4,331,474	80.7%
	<u>8,823,475</u>	<u>5,683,949</u>	<u>64.4%</u>	<u>5,368,583</u>	<u>4,331,474</u>	<u>80.7%</u>
<i>Other Sources/(Uses)</i>						
Transfers	1,035,354	1,000,000	96.6%	26,210	-	0.0%
Transfers	-	-	N/A	(3,177,000)	(3,177,000)	100.0% 1
	<u>1,035,354</u>	<u>1,000,000</u>	<u>96.6%</u>	<u>(3,150,790)</u>	<u>(3,177,000)</u>	<u>100.8%</u>
Change in Fund Balance	645,450	3,726,833		(1,457,697)	(338,013)	
Beginning Balance	9,044,358	9,044,358		9,689,808	9,689,808	
Ending Balance	<u>9,689,808</u>	<u>12,771,191</u>		<u>8,232,111</u>	<u>9,351,795</u>	

1. Transfer to Capital Projects fund per the budget.

Note: Prior year numbers include the Restricted Building fund. This fund was closed in the current year and the District is now using the Capital Projects fund.

Life Safety Fund

	<u>Audited</u> <u>2009-2010</u>	<u>Fiscal to Date</u> <u>May 31</u> <u>2010</u>	<u>%</u>	<u>Amended</u> <u>Budget</u> <u>2010-2011</u>	<u>Fiscal to Date</u> <u>May 31</u> <u>2011</u>	<u>%</u>
<i>Receipts</i>						
Property Taxes	1,883,021	1,847,308	98.1%	2,090,611	2,388,793	114.3% 1
Other Local Sources	3,697	2,568	69.5%	301,670	300,375	99.6%
	<u>1,886,718</u>	<u>1,849,876</u>	<u>98.0%</u>	<u>2,392,281</u>	<u>2,689,168</u>	<u>112.4%</u>
<i>Expenditures</i>						
Support Svcs. - Business	1,474,581	917,987	62.3%	1,851,822	1,786,744	96.5%
	<u>1,474,581</u>	<u>917,987</u>	<u>62.3%</u>	<u>1,851,822</u>	<u>1,786,744</u>	<u>96.5%</u>
<i>Other Sources/(Uses)</i>						
Transfers	(618,263)	(618,263)	100.0%	(614,263)	(614,263)	100.0%
	<u>(618,263)</u>	<u>(618,263)</u>		<u>(614,263)</u>	<u>(614,263)</u>	
Change in Fund Balance	(206,126)	313,626		(73,804)	288,161	
Beginning Balance	355,137	355,137		149,011	149,011	
Ending Balance	<u>149,011</u>	<u>668,763</u>		<u>75,207</u>	<u>437,172</u>	

1. Life Safety levy was increased for the 2009 levy compared to the 2008 levy and therefore the increase in collections in the current year.

OAK PARK AND RIVER FOREST HIGH SCHOOL DISTRICT 200
Monthly Financial Statements
May 2011

Bond and Interest Fund

	<u>Audited</u> <u>2009-2010</u>	<u>Fiscal to Date</u> <u>May 31</u> <u>2010</u>	<u>%</u>	<u>Amended</u> <u>Budget</u> <u>2010-2011</u>	<u>Fiscal to Date</u> <u>May 31</u> <u>2011</u>	<u>%</u>
<i>Receipts</i>						
Property Taxes	3,052,500	3,036,042	99.5%	2,868,619	2,851,496	99.4%
Other Local Sources	35,354	31,812	90.0%	26,210	4,094	15.6% ¹
	<u>3,087,854</u>	<u>3,067,854</u>	99.4%	<u>2,894,829</u>	<u>2,855,590</u>	98.6%
<i>Expenditures</i>						
Debt Service	4,787,112	4,787,112	100.0%	3,500,790	3,494,669	99.8%
	<u>4,787,112</u>	<u>4,787,112</u>	100.0%	<u>3,500,790</u>	<u>3,494,669</u>	99.8%
<i>Other Sources/(Uses)</i>						
Principal on Bonds Sold	10,810,000	10,810,000	100.0%	-	-	N/A
Premium on Bonds Sold	801,095	801,095	100.0%	-	-	N/A
Payment to Escrow	(11,468,408)	(11,468,408)	100.0%	-	-	N/A
Transfers	618,263	618,263	100.0%	614,263	614,263	100.0%
Transfers	(35,354)	-	0.0%	(26,210)	-	0.0%
	<u>725,596</u>	<u>760,950</u>	104.9%	<u>588,053</u>	<u>614,263</u>	104.5%
Change in Fund Balance	(973,662)	(958,308)		(17,908)	(24,816)	
Beginning Balance	2,468,889	2,468,889		1,495,227	1,495,227	
Ending Balance	<u>1,495,227</u>	<u>1,510,581</u>		<u>1,477,319</u>	<u>1,470,411</u>	

1. Interest income was not allocated to this fund as it carried a negative balance for much of the year due to delayed property tax receipts.

Transportation Fund

	<u>Audited</u> <u>2009-2010</u>	<u>Fiscal to Date</u> <u>May 31</u> <u>2010</u>	<u>%</u>	<u>Amended</u> <u>Budget</u> <u>2010-2011</u>	<u>Fiscal to Date</u> <u>May 31</u> <u>2011</u>	<u>%</u>
<i>Receipts</i>						
Property Taxes	938,197	920,953	98.2%	842,131	859,051	102.0%
Other Local Sources	45,423	40,109	88.3%	22,016	10,648	48.4%
State Sources	850,067	593,289	69.8%	645,379	601,375	93.2%
	<u>1,833,687</u>	<u>1,554,351</u>	84.8%	<u>1,509,526</u>	<u>1,471,074</u>	97.5%
<i>Expenditures</i>						
Support Svcs. - Business	1,417,211	1,160,807	81.9%	1,503,261	1,135,022	75.5%
	<u>1,417,211</u>	<u>1,160,807</u>	81.9%	<u>1,503,261</u>	<u>1,135,022</u>	75.5%
<i>Other Sources/(Uses)</i>						
Other source	31,000	-	0.0%	-	-	N/A
	<u>31,000</u>	<u>-</u>		<u>-</u>	<u>-</u>	
Change in Fund Balance	447,476	393,544		6,265	336,052	
Beginning Balance	2,114,846	2,114,846		2,562,322	2,562,322	
Ending Balance	<u>2,562,322</u>	<u>2,508,390</u>		<u>2,568,587</u>	<u>2,898,374</u>	

OAK PARK AND RIVER FOREST HIGH SCHOOL DISTRICT 200
Monthly Financial Statements
May 2011

Illinois Municipal Retirement/Social Security Fund

	<u>Audited</u> <u>2009-2010</u>	<u>Fiscal to Date</u> <u>May 31</u> <u>2010</u>	<u>%</u>	<u>Amended</u> <u>Budget</u> <u>2010-2011</u>	<u>Fiscal to Date</u> <u>May 31</u> <u>2011</u>	<u>%</u>
<i>Receipts</i>						
Property Taxes	2,362,524	2,318,970	98.2%	2,314,608	2,361,743	102.0%
Other Local Sources	106,550	27,342	25.7%	131,630	125,239	95.1%
	<u>2,469,074</u>	<u>2,346,312</u>	<u>95.0%</u>	<u>2,446,238</u>	<u>2,486,982</u>	<u>101.7%</u>
<i>Expenditures</i>						
General Instruction	336,245	269,386	80.1%	414,745	307,198	74.1%
Special Education	190,309	142,969	75.1%	224,800	159,936	71.1%
Vocational Programs	26,406	22,041	83.5%	25,273	18,322	72.5%
Interscholastic Programs	109,477	95,659	87.4%	121,161	103,668	85.6%
Summer School	9,143	5,620	61.5%	9,844	5,753	58.4%
Drivers Education	5,560	4,514	81.2%	9,239	5,327	57.7%
Other Instructional	1,241	977	78.7%	1,232	969	78.7%
Support Svcs. - Pupil	336,130	268,276	79.8%	393,359	305,579	77.7%
Support Svcs. - Admin.	824,926	732,884	88.8%	898,271	767,303	85.4%
	<u>1,839,437</u>	<u>1,542,326</u>	<u>83.8%</u>	<u>2,097,924</u>	<u>1,674,055</u>	<u>79.8%</u>
Change in Fund Balance	629,637	803,986		348,314	812,927	
Beginning Balance	<u>1,323,641</u>	<u>1,323,641</u>		<u>1,953,278</u>	<u>1,953,278</u>	
Ending Balance	<u>1,953,278</u>	<u>2,127,627</u>		<u>2,301,592</u>	<u>2,766,205</u>	

Capital Projects Fund

	<u>Audited</u> <u>2009-2010</u>	<u>Fiscal to Date</u> <u>May 31</u> <u>2010</u>	<u>%</u>	<u>Amended</u> <u>Budget</u> <u>2010-2011</u>	<u>Fiscal to Date</u> <u>May 31</u> <u>2011</u>	<u>%</u>
<i>Receipts</i>						
Other Local Sources	-	-	N/A	710,000	710,989	100.1%
	-	-	N/A	710,000	710,989	100.1%
<i>Expenditures</i>						
Support Svcs. - Business	-	-	N/A	3,477,000	2,413,555	69.4%
	-	-	N/A	3,477,000	2,413,555	69.4%
<i>Other Sources/(Uses)</i>						
Transfers	-	-	N/A	3,177,000	3,177,000	100.0%
	-	-		3,177,000	3,177,000	
Change in Fund Balance	-	-		410,000	1,474,434	
Beginning Balance	-	-		-	-	
Ending Balance	-	-		<u>410,000</u>	<u>1,474,434</u>	

1. Transfer from O&M fund for capital projects.

OAK PARK AND RIVER FOREST HIGH SCHOOL DISTRICT 200

Monthly Financial Statements

May 2011

Working Cash Fund

	<u>Audited</u> <u>2009-2010</u>	<u>Fiscal to Date</u> <u>May 31</u> <u>2010</u>	<u>%</u>	<u>Amended</u> <u>Budget</u> <u>2010-2011</u>	<u>Fiscal to Date</u> <u>May 31</u> <u>2011</u>	<u>%</u>
<i>Receipts</i>						
Property Taxes	1,091,083	1,148,925	105.3%	1,045,305	1,197,757	114.6%
Other Local Sources	129,470	113,942	88.0%	69,485	31,488	45.3%
	<u>1,220,553</u>	<u>1,262,867</u>	103.5%	<u>1,114,790</u>	<u>1,229,245</u>	110.3%
<i>Expenditures</i>						
Transfers	-	-	N/A	-	-	N/A
	<u>-</u>	<u>-</u>	N/A	<u>-</u>	<u>-</u>	N/A
<i>Other Sources/(Uses)</i>						
Principal on Bonds Sold	1,000,000	1,000,000	100.0%	-	-	N/A
Transfers	(1,000,000)	(1,000,000)	100.0%	-	-	N/A
	<u>-</u>	<u>-</u>		<u>-</u>	<u>-</u>	
Change in Fund Balance	1,220,553	1,262,867		1,114,790	1,229,245	
Beginning Balance	5,300,950	5,300,950		6,521,503	6,521,503	
Ending Balance	<u>6,521,503</u>	<u>6,563,817</u>		<u>7,636,293</u>	<u>7,750,748</u>	

Tort Immunity Fund

	<u>Audited</u> <u>2009-2010</u>	<u>Fiscal to Date</u> <u>May 31</u> <u>2010</u>	<u>%</u>	<u>Amended</u> <u>Budget</u> <u>2010-2011</u>	<u>Fiscal to Date</u> <u>May 31</u> <u>2011</u>	<u>%</u>
<i>Receipts</i>						
Property Taxes	1,263,583	1,237,046	97.9%	1,104,552	1,127,097	102.0%
Other Local Sources	38,162	32,656	85.6%	20,076	8,912	44.4%
	<u>1,301,745</u>	<u>1,269,702</u>	97.5%	<u>1,124,628</u>	<u>1,136,009</u>	101.0%
<i>Expenditures</i>						
Support Svcs. - Admin.	869,427	851,204	97.9%	1,121,112	854,104	76.2%
	<u>869,427</u>	<u>851,204</u>	97.9%	<u>1,121,112</u>	<u>854,104</u>	76.2%
Change in Fund Balance	432,318	418,498		3,516	281,905	
Beginning Balance	1,917,776	1,917,776		2,350,094	2,350,094	
Ending Balance	<u>2,350,094</u>	<u>2,336,274</u>		<u>2,353,610</u>	<u>2,631,999</u>	

OAK PARK AND RIVER FOREST HIGH SCHOOL DISTRICT 200
Monthly Financial Statements
May 2011

Dental Self Insurance Fund

	<u>Audited 2009-2010</u>	<u>Fiscal to Date May 31 2010</u>	<u>%</u>	<u>Amended Budget 2010-2011</u>	<u>Fiscal to Date May 31 2011</u>	<u>%</u>
<i>Receipts</i>						
Insurance Premiums	409,548	333,723	81.5%	452,853	311,223	68.7%
Other Local Sources	3,680	3,184	86.5%	2,000	721	36.1%
	<u>413,228</u>	<u>336,907</u>	81.5%	<u>454,853</u>	<u>311,944</u>	68.6%
<i>Expenditures</i>						
Staff Services	<u>407,364</u>	<u>337,521</u>	82.9%	<u>452,853</u>	<u>356,671</u>	78.8%
Change in Fund Balance	5,864	(614)		2,000	(44,727)	
Beginning Balance	<u>143,399</u>	<u>143,399</u>		<u>149,263</u>	<u>149,263</u>	
Ending Balance	<u>149,263</u>	<u>142,785</u>		<u>151,263</u>	<u>104,536</u>	

Medical Self Insurance Fund

	<u>Audited 2009-2010</u>	<u>Fiscal to Date May 31 2010</u>	<u>%</u>	<u>Amended Budget 2010-2011</u>	<u>Fiscal to Date May 31 2011</u>	<u>%</u>
<i>Receipts</i>						
Insurance Premiums	4,732,751	4,398,741	92.9%	5,577,698	4,749,375	85.1%
Other Local Sources	52,274	45,837	87.7%	20,000	13,531	67.7%
	<u>4,785,025</u>	<u>4,444,578</u>	92.9%	<u>5,597,698</u>	<u>4,762,906</u>	85.1%
<i>Expenditures</i>						
Staff Services	<u>4,541,907</u>	<u>3,543,983</u>	78.0%	<u>5,577,698</u>	<u>4,064,013</u>	72.9%
Change in Fund Balance	243,118	900,595		20,000	698,893	
Beginning Balance	<u>1,594,968</u>	<u>1,594,968</u>		<u>1,838,086</u>	<u>1,838,086</u>	
Ending Balance	<u>1,838,086</u>	<u>2,495,563</u>		<u>1,858,086</u>	<u>2,536,979</u>	

Self-Insurance Workers' Comp Fund

	<u>Audited 2009-2010</u>	<u>Fiscal to Date May 31 2010</u>	<u>%</u>	<u>Amended Budget 2010-2011</u>	<u>Fiscal to Date May 31 2011</u>	<u>%</u>
<i>Receipts</i>						
Insurance Premiums	-	-	N/A	-	-	N/A
Other Local Sources	-	-	N/A	-	-	N/A
Transfers	-	-	N/A	-	-	N/A
	<u>-</u>	<u>-</u>		<u>-</u>	<u>-</u>	
<i>Expenditures</i>						
Staff Services	<u>-</u>	<u>-</u>	N/A	<u>-</u>	<u>-</u>	N/A
Change in Fund Balance	-	-		-	-	
Beginning Balance	<u>15,857</u>	<u>15,857</u>		<u>15,857</u>	<u>15,857</u>	
Ending Balance	<u>15,857</u>	<u>15,857</u>		<u>15,857</u>	<u>15,857</u>	

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

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

TO: Board of Education
FROM: Cheryl Witham
DATE: June 14, 2011
RE: Treasurer's Reports

BACKGROUND

It is a requirement that the Board of Education accepts and approves the monthly Treasurer's Reports.

SUMMARY OF FINDINGS

Attached is the Treasurer Report for May, 2011.

RECOMMENDATIONS (OR FUTURE DIRECTIONS)

The May 2011 Treasurer's Report will be presented to the Board of Education for approval at the June 23rd regular scheduled Board of Education meeting

Oak Park & River Forest High School District 200
Treasurers Report
May 31, 2011

<u>Funds</u>	<u>Opening Cash Balance 05/01/11</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Adjustments to Cash (JE's)</u>	<u>Ending Cash Balance 05/31/11</u>	<u>% of Total</u>
10 Education	82,956,605.32	2,799,774.78	(2,870,934.44)	(4,845.21)	82,880,600.45	71.77%
14 Food Service	389,497.77	144,944.51	(179,389.12)	9,740.95	364,794.11	0.32%
15 Book Store	288,695.28	13,471.47	(39,773.67)	-	262,393.08	0.23%
Total - Education Fund	83,634,798.37	2,958,190.76	(3,090,097.23)	4,895.74	83,507,787.64	72.31%
20 Operations, Building & Maintenance	10,755,412.73	329,614.40	(342,331.36)	(1,567,000.00)	9,175,695.77	7.95%
30 Bond & Interest Fund	1,748,448.75	55,465.29	(350,766.25)	-	1,453,147.79	1.26%
40 Transportation Fund	2,601,345.99	17,514.77	(148,216.13)	(2,663.75)	2,467,980.88	2.14%
50 IMRF & SS Fund	2,857,040.12	50,005.57	(159,558.22)	806.91	2,748,294.38	2.38%
60 Site & Construction	(10,964.36)	375.75	(91,978.00)	1,577,000.00	1,474,433.39	1.28%
70 Working Cash	7,716,611.28	26,995.87	-	-	7,743,607.15	6.71%
80 Tort Immunity	2,626,886.42	22,757.27	(24,673.64)	-	2,624,970.05	2.27%
81 Dental Self Insurance	165,649.01	33.05	(36,013.79)	-	129,668.27	0.11%
82 Medical Self Insurance	3,325,327.99	731.48	(455,788.92)	-	2,870,270.55	2.49%
83 Workers' Comp Self Insurance	15,857.04	-	-	-	15,857.04	0.01%
84 Harris - PMA	604,164.23	108,398.43	(30,782.18)	(13,038.90)	668,741.58	0.58%
84 Community Bank	239,285.77	68,363.45	(129,750.68)	-	177,898.54	0.15%
Total - Activity Funds	843,450.00	176,761.88	(160,532.86)	(13,038.90)	846,640.12	0.73%
90 Fire Prevention & Safety	416,188.08	50,873.73	(44,169.02)	-	422,892.79	0.37%
Total - All Funds	\$ 116,696,051.42	\$ 3,689,319.82	\$ (4,904,125.42)	\$ -	\$ 115,481,245.82	100.00%

Summary of adjustments to cash:

Reclassification of food service chargebacks.

Reclassification of bookstore chargebacks.

Reclassification of expenditures

PPO/Pharmacy reclassification.

Oak Park & River Forest High School District 200
Cash and Investments
May 31, 2011

	<u>Account Balance</u>	<u>Treasurer's Control</u>	<u>% of Total</u>
Harris Bank Comingled Account (treas ofc.)			
Statement CTTO	126,015.94		
Less: Outstanding Checks	-		
Plus: Deposits in Transit	-		
Adjusted	<u>126,015.94</u>	126,015.94	0.11%
Harris ISDLAF Account (Liquid & Max)			
Statement Balance	115,908,976.97		
Less: Outstanding Checks	(825,734.94)		
Plus: Deposits in Transit	34,466.45		
Adjusted	<u>115,117,708.48</u>		99.69%
Community Bank Student Activity Account			
Statement Balance	200,578.27		
Less: Outstanding Checks	(23,177.73)		
Plus: Deposits in Transit	498.00		
Adjusted	<u>177,898.54</u>		0.15%
Community Bank Imprest Account			
Statement Balance	13,500.71		
Less: Outstanding Checks	(1,277.85)		
Plus: Deposits in Transit	-		
Adjusted	<u>12,222.86</u>		0.01%
Petty Cash	<u>7,400.00</u>		0.01%
Workers Compensation Escrow	<u>40,000.00</u>		0.03%
Total Cash and Investments	\$ 115,481,245.82	\$ 126,015.94	100.00%

Note: Petty cash number includes \$2,000 that is in the Athletic Imprest account maintained by the Athletic Department.

Oak Park & River Forest High School District 200
Schedule of Investments
May 31, 2011

	Average Interest Rate *	Investment Value 05/31/11	% of Total	Prior Month % of Total
By Financial Institution				
Harris ISDLAF - Liquid MM	0.02%	952,422.31	0.82%	0.15%
Harris ISDLAF - Max MM	0.05%	39,799.62	0.03%	0.66%
Harris ISDLAF - SDA	0.15%	2,707,317.37	2.33%	2.31%
Harris ISDLAF - CD's	0.38%	61,680,688.61	53.16%	55.01%
Harris ISDLAF - Gov't Securities	0.36%	9,978,749.06	8.60%	8.50%
Harris ISDLAF - Term Series	0.26%	38,350,000.00	33.05%	31.39%
Harris ISDLAF - CDRS	0.36%	2,200,000.00	1.90%	1.87%
Harris - CTTO MM	*	126,015.94	0.11%	0.11%
Total All Investments by Institution		116,034,992.91	100.00%	100.00%

	Average Interest Rate *	Investment Value 05/31/11	% of Total	Prior Month % of Total
By Investment Type				
CD's	0.38%	61,680,688.61	53.16%	55.01%
Government Securities	0.36%	9,978,749.06	8.60%	8.50%
Term Series	0.26%	38,350,000.00	33.05%	31.39%
CDRS	0.36%	2,200,000.00	1.90%	1.87%
Money Market	0.07%	3,825,555.24	3.30%	3.23%
Total All Investments by Type		116,034,992.91	100.00%	100.00%

	Average Interest Rate *	Investment Value 05/31/11	% of Total	Prior Month % of Total
By Maturity Age				
1 month	0.60%	7,400,000.00	6.38%	4.25%
2 months	0.43%	5,200,000.00	4.48%	6.30%
3 months	0.57%	25,249,200.00	21.76%	4.43%
4-6 months	0.28%	30,415,214.47	26.21%	36.87%
7-9 months	0.29%	7,285,893.03	6.28%	14.76%
10-12 months	0.41%	15,317,838.90	13.20%	11.31%
1 year +	0.41%	21,341,291.27	18.39%	18.85%
2 years +	0.00%	-	0.00%	0.00%
Mature on demand	0.07%	3,825,555.24	3.30%	3.23%
Total Investments		116,034,992.91	100.00%	100.00%

* The rate of interest is not known for funds invested with the Trustee of the former CTTO.

Comparative Interest Rate Information (as of June 6)

Fixed Income Type of Security	60 Days	90 Days	120 Days	180 Days	270 Days	1 Year	18 Months	2 Year
CD's	0% - 0.25%	0.09% - 0.25%	0.10% - 0.30%	0.25% - 0.40%	0.26% - 0.40%	0.40% - 0.60%	0.50% - 0.80%	0.75% - 0.85%
Government Agency	0.02%	0.04%	0.02%	0.04%	0.06%	0.14%	0.25%	0.41%
Government Treasury	N/A	N/A	N/A	0.05%	0.11%	0.16%	0.25%	0.35%
Liquid Asset Funds	7 Day Effective							
Liquid Class	0.02%							
Max Class	0.05%							