

THIS AGREEMENT WILL BE POSTED ON THE CPS INTERNET WEBSITE.

CONSULTING AGREEMENT

This CONSULTING AGREEMENT ("Agreement") is effective as of the 13th day of February, 2010 ("Effective Date"), and is entered into by and between the Board of Education of the City of Chicago, a body politic and corporate (the "Board") and Buck Consultants, LLC ("Consultant").

RECITALS

A. The Board desires that Consultant render certain services more fully described herein; and

B. Consultant has demonstrated expertise in providing such services, has represented that it has the requisite knowledge, skill, experience and other resources necessary to perform such services and is desirous of providing such services for the Board.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants contained herein, the parties hereby agree as follows:

1. **Incorporation of Recitals:** The matters recited above are hereby incorporated into and made a part of this Agreement.
2. **Term:** This Agreement is for a term commencing with the Effective Date of the Agreement and continuing for twelve (12) months thereafter ("Term"), unless terminated sooner as provided herein. The Board will have one option to renew the Agreement for a twelve (12) month period.
3. **Scope of Services:** Consultant agrees to provide the services set forth on Exhibit A including but not limited to the deliverables set forth therein ("Services"), in accordance with the terms and conditions of this Agreement. The Board retains final authority with respect to all Services related decisions. The Board may, from time to time, request changes in the Services. Any such changes, including any increase or decrease in Consultant's fees, shall be documented by an amendment to this Agreement.
4. **Compensation and Payment:** Compensation for Services during the Term shall be at the hourly rates set out in Exhibit B and shall not exceed Seventy Thousand Dollars (\$70,000.00), with no reimbursement for expenses unless specified herein. Compensation shall be based on actual Services performed during the Term of this Agreement and the Board shall not be obligated to pay for any Services to the extent not in compliance with this Agreement. In the event of early termination of this Agreement, the Board shall only be obligated to pay for Services rendered up to the date of termination. In no event shall the Board be liable for any costs incurred or Services performed after the effective date of termination as provided herein. Consultant shall

submit invoices referencing this Agreement with such supporting documentation as may be requested by the Board is as stated below. The Board shall process payment in its normal course of business.

All original invoices must be forwarded to the Chicago Public Schools – Accounts Payable Department, P.O. Box 661, Chicago, IL 60690-0661. All invoices must include itemized description of services rendered, date that the services that are being billed in the invoice were rendered, invoice date and invoice amount. Invoices shall be submitted in a timely manner and in a time period as mutually agreed upon with the Board's Chief Financial Officer ("CFO"). All invoices must be signed and dated and must reference this Agreement. A copy of invoices shall also be forwarded by the Consultant to the CFO in order for said CFO to acknowledge receipt of services. However, the original invoices must be sent to the address stated above.

5. **Standards of Performance:** Consultant shall devote, and shall cause all of its staff and subcontractors to devote, such of their time, attention, best skill and judgment, knowledge and professional ability as is necessary to perform all Services effectively, efficiently and consistent with the best interests of the Board and to the satisfaction of the CFO. Consultant shall retain and utilize sufficient staff to assure the most effective and efficient performance of Services and shall utilize, as required by law or by this Agreement, professionals licensed to practice in the State of Illinois in the applicable profession. Consultant shall use efficient business administration methods and perform the Services in the best way and in the most expeditious and economical manner consistent with the best interests of the Board, so as to assure, among other things, that the Services are performed at a reasonable cost to the Board and that Services performed by other entities or persons in connection with this Agreement are efficiently and cost-effectively delivered. Consultant acknowledges and accepts a relationship of trust and confidence with the Board and agrees to cooperate with the Board, and all other persons or entities which may be retained by the Board, in performing Services to further the best interests of the Board.

6. **Key Personnel:**

- a. **Key Personnel.** The Board has retained Consultant because of the particular knowledge and experience of the individuals listed in Exhibit C and incorporated herein ("Key Personnel"), and Consultant acknowledges that the Board is relying on the Key Personnel in performing the Services. Consultant shall provide the Services through the Key Personnel and such additional personnel of the Consultant that Consultant may from time to time determine to be required for the performance of the Services. The Board shall have the right to approve such additional personnel prior to their being assigned to perform any of the Services. Consultant shall have the right to replace any such additional personnel at any time for any reasons, with additional personnel approved by the Board or to remove such personnel from the Services at such time as Consultant reasonably determines that the Services no longer require such additional personnel. Consultant shall be responsible for replacement of Key Personnel within two weeks from the departure of the previous Key Personnel.

b. **Removal.** Consultant agrees to remove any Key Personnel from performing under this Agreement upon written request from the Board and shall bear any cost associated with removal of Key Personnel if such removal is for cause.

c. **Reassignment or Replacement:** If one or more Key Personnel terminate their employment with Consultant or otherwise become unavailable for reasons beyond Consultant's reasonable control, Consultant may provide the Services through other personnel with comparable training and experience, provided that (i) Consultant promptly shall notify the Board of the termination or unavailability of Key Personnel; (ii) Consultant shall provide the Board with the resumes of any proposed replacement personnel before they are assigned to perform services under this agreement; and (iii) the Board shall have the right to approve any replacement personnel proposed by Consultant to perform Services hereunder. Consultant shall be responsible for replacement of Key Personnel within two weeks from the departure of the previous Key Personnel.

7. **Non-appropriation:** Expenditures not appropriated by the Board in its current fiscal year budget are deemed to be contingent liabilities only and are subject to appropriation in subsequent fiscal year budgets. In the event sufficient funds are not appropriated in a subsequent fiscal year by the Board for performance under this Agreement, the Board shall notify Consultant and this Agreement shall terminate on the last day of the fiscal period for which funds were appropriated.

8. **Audit and Document Retention:** Consultant shall furnish the Board time sheets and expense records as may be requested relative to the progress, execution and costs of the Services. Consultant shall maintain all records, correspondence, receipts, vouchers, memoranda and other data relating to Consultant's Services under this Agreement. All records referenced above shall be retained for five (5) years after completion of Services and shall be subject to inspection and audit by the Board. Consultant shall include in all subcontractor agreements for Services, provisions requiring subcontractors to maintain the above-described records and allowing the Board the same right to inspect and audit said records as set forth herein.

9. **Termination:**

a. **Termination for Convenience.** If at any time during the Term of this Agreement, the Board determines, in its sole discretion, that the Services provided by Consultant are no longer in its best interest, the Board shall have the option to terminate this Agreement upon thirty (30) calendar days written notice to Consultant.

b. **Suspension of Services.** The Board may, upon thirty (30) calendar days written notice, request that Consultant suspend Services in whole or part. Consultant shall promptly resume performance of Services upon written notice from the Board and upon such equitable extension of time as may be mutually agreed upon in writing by the Board and Consultant. Responsibility for any additional costs or expenses actually incurred by

Consultant as a result of remobilization shall be determined by mutual agreement of the parties.

c. **Consultant Events of Default.** Events of default ("Events of Default") include, but are not limited to, the following:

- 1) Any material misrepresentation by Consultant in the inducement of this Agreement or the performance of Services.
- 2) Material breach of any agreement, representation or warranty made by Consultant in this Agreement.
- 3) Failure of Consultant to perform in accordance with or comply with the terms and conditions of this Agreement in any or all material respects; or
- 4) Assignment by Consultant for the benefit of creditors or consent by Consultant to the appointment of a trustee or receiver or the filing by or against Consultant of any petition or proceeding under any bankruptcy, insolvency or similar law.

d. **Remedies.** The occurrence of any Event of Default which Consultant fails to cure within thirty (30) calendar days after receipt of notice given in accordance with the terms of this Agreement and specifying the Event of Default or which, if such Event of Default cannot be reasonably cured within thirty (30) calendar days after notice, Consultant fails to commence and continue diligent efforts to cure, in the sole opinion of the Board, may permit the Board to declare Consultant in default. Whether to declare Consultant in default is within the sole discretion of the Board. Written notification of an intention of the Board to terminate this Agreement shall be provided and shall be final and effective upon Consultant's receipt of such notice. Upon the giving of such notice as provided in this Agreement, the Board may invoke any or all of the following remedies:

- 1) The right to take over and complete the Services or any part thereof, by agreement or otherwise as agent for and at the cost of Consultant either directly or through others. The Consultant shall be liable to the Board for any reasonable excess costs incurred by the Board. Any amount due Consultant under this Agreement or any other agreement Consultant may have with the Board may be offset against amounts claimed due by the Board.
- 2) The right to terminate this Agreement, in whole or in part, as to any or all of the Services yet to be performed effective at a time specified by the Board.
- 3) The right to suspend Services during the thirty (30) day cure period if the default results from Consultant's action or failure to act which affects the safety and/or welfare of students or Board staff.
- 4) The right to specific performance, an injunction or any other appropriate equitable remedy.
- 5) The right to receive from Consultant any and all damages incurred as a result or in consequence of an Event of Default.
- 6) The right to money damages.
- 7) The right to withhold all or part of Consultant's compensation under this Agreement, or any other written agreement with Board.
- 8) The right to deem Consultant non-responsible in future agreements to be awarded by

the Board.

If the Board considers it to be in its best interest, it may elect not to declare Consultant in default or to terminate this Agreement. The parties acknowledge that this provision is solely for the benefit of the Board and that if the Board permits Consultant to continue to provide the Services despite one or more Events of Default, the Consultant shall in no way be relieved of any responsibilities, duties or obligations under this Agreement nor shall the Board waive or relinquish any of its rights.

The remedies under this Agreement are not intended to be exclusive of any other remedies provided, but each and every such remedy shall be cumulative and shall be in addition to any other remedies, existing now or hereafter, at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any Event of Default shall be construed as a waiver of any Event of Default or acquiescence thereto, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

e. **Turnover of Documents and Records.** Upon demand of the Board after termination of this Agreement for any reason or the expiration of this Agreement by its terms, Consultant shall turn over to the Board or its designee within three (3) days of demand, all materials, supplies, equipment owned or purchased by the Board, and completed or partially completed Work Product (defined below) relating in any way to this Agreement or the performance or furnishing of Services, except that Consultant may keep a copy of such information for its own records. Neither Board nor any third party shall be entitled to rely on any partially completed Work Product provided to Board pursuant to this Section. Such partially completed Work Product are provided to Board "as is" without any representations or warranties with respect thereto.

10. **Confidential Information, Dissemination of Information, Ownership, Survival:**

a. **Confidential Information.** In performance of Services to the Board, Consultant may have access to or receive certain information that is not generally known to others or that they received as a result of performance pursuant to this Agreement ("Confidential Information"). Consultant agrees not to use or disclose any Confidential Information or any records, reports, or documents prepared or generated as a result of this Agreement without the prior written consent of the Board or its designee.

b. **Dissemination of Information.** Consultant agrees not to use or disclose any Confidential Information and not to use or disclose any records, reports and/or documents prepared or generated as a result of this Agreement ("Work Product") other than to those who are directly engaged in performing Services under the Agreement, without the prior written consent of the Board or Board's designee. Consultant shall not issue publicity news releases or grant press interviews, except as may be required by law, during or after the performance of the Services, nor shall Consultant disseminate any information regarding Services without the prior written consent of the Board. In the event that Consultant is presented with a request for documents by any administrative agency or

with a *subpoena duces tucem* regarding any records, data, or Work Product which may be in Consultant's possession as a result of Services under this Agreement, Consultant shall immediately give notice to the Board and its General Counsel with the understanding that the Board shall have the opportunity to contest such process by any means available to it prior to submission of any documents to a court or other third party. Consultant will not be obligated to withhold delivery of documents beyond the time ordered by a court of law or administrative agency, unless the request for production or *subpoena* is quashed or withdrawn, or the time to produce is otherwise extended.

c. **Ownership.** All intellectual property, Work Product, and any and all other records, reports, documents, and materials prepared or generated as a result of this Agreement, shall at all times be and remain the property of the Board, subject to the following terms set out herein below. All of the foregoing items shall be delivered to the Board upon demand at any time and in any event, shall be promptly delivered to the Board upon expiration or termination of this Agreement. In the event any of the above items are lost or damaged while in Consultant's possession, such items shall be restored or replaced at Consultant's expense.

Board acknowledges and agrees that all of Consultant's previously or independently acquired proprietary rights (including, but not limited to, trade secrets, copyrights, trademarks, service marks, trade names, specifications, database structures, techniques, know-how, methods, procedures programming and operating tools and templates and documentation) in or relating to the Services or other products used by Consultant to perform the Services, are proprietary in nature and belong exclusively to Consultant. Notwithstanding the foregoing sentence, for those work products customized, created, developed, and produced by Consultant exclusively for Board, or in exchange for compensation by Board, in connection with this engagement to the extent that they do not include products or materials that are derivatives of Consultant's standard materials or Consultant proprietary information, such work products are owned by Board and are deemed "works made for hire" (as defined in the Copyright Act, 17 U.S.C.A. §101 *et seq.*, as amended) for Board, and Consultant hereby unconditionally and irrevocably transfers and assigns to Board all right, title and interest in or to any such work made for hire product, including, without limitation, all copyrights, and other intellectual property rights therein; and further Consultant grants to Board a non-exclusive perpetual license to use any of the items, materials or information proprietary to Consultant embedded in the deliverables resulting from the Services hereunder. The work product Consultant provides to Board in connection with this engagement is intended for Board's use and Board will retain ownership of the work product and any information specific to Board's employees or business, and as such, Board shall have the exclusive right to use, reproduce and adapt it for internal purposes within its organization that Board deems appropriate.

d. **Personnel, Staff and Subcontractors.** Consultant agrees to cause its personnel, staff and subcontractors, if any, to undertake the same obligations of confidentiality and as to ownership agreed to by Consultant under this Agreement.

e. **Survival.** The provisions of this Section 10 shall survive the termination or

expiration of this Agreement.

11. **Representations and Warranties of Consultant:** Consultant represents and warrants that the following shall be true and correct as of the effective date of this Agreement and shall continue to be true and correct (as may be modified from time to time subject to Board approval) during the Term of this Agreement:

a. **Contractor's Disclosure Form.** The disclosures in the Contractor's Disclosure Form submitted by Consultant to the Department of Procurement and Contracts are true and correct. Consultant shall promptly notify the Board of any material change in information set forth therein, including, but not limited to, change in ownership or control, and any such change shall be subject to Board approval which shall not be unreasonably withheld.

b. **Licensed Professionals.** Services required by law or by this Agreement to be performed by professionals shall be performed by professionals licensed to practice by the State of Illinois in the applicable professional discipline.

c. **Financially Solvent.** Consultant warrants that it is financially solvent, is able to pay all debts as they mature and is possessed of sufficient working capital to complete all Services and perform all obligations under this Agreement.

d. **Professional Standards.** Consultant warrants that all Services will be performed in accordance with the highest professional standards.

e. **Compliance with Laws.** Consultant is and shall remain in compliance with all local, State and Federal laws, ordinances, regulations and statutes relating to this Agreement and the performance of Services, including, but not limited to, the Prevailing Wage Act, 820 ILCS 130/1 *et seq.*, the Drug-Free Workplace, and any others referenced in this Agreement relating to non-discrimination. Further, Consultant is and shall remain in compliance with all applicable Board policies and rules.

f. **Gratuities.** No payment, gratuity or offer of employment was made to or by Consultant, any of its members if a joint venture or, to the best of Consultant's knowledge, to or by any subcontractors, in relation to this Agreement or as an inducement for award of this Agreement. Consultant is and shall remain in compliance with all applicable anti-kickback laws and regulations.

g. **Ethics.** No officer, agent or employee of the Board is or will be employed by Consultant or has or will have a financial interest, directly or indirectly, in this Agreement or the compensation to be paid hereunder except as may be permitted in writing by the Board's Ethics Policy (95-0927-RU3), adopted September 27, 1995, as may be amended from time to time, which policy is incorporated herein by reference as if fully set forth herein.

h. **Good Standing.** Consultant, each of its joint venture members if a joint venture,

and each of its subcontractors, if any, are not in default or have not been deemed by the Board's Chief Purchasing Officer to be in default under any other agreement with the Board during the five (5) year period immediately preceding the effective date of this Agreement, and have not been debarred under the Board's Debarment Policy during the three (3) year period immediately preceding the effective date of this Agreement.

i. **Authorization.** Consultant has taken all action necessary for the approval and execution of this Agreement, and execution by the person signing on behalf of Consultant is duly authorized by Consultant and has been made with complete and full authority to commit Consultant to all terms and conditions of this Agreement which shall constitute valid, binding obligations of Consultant.

12. **Independent Contractor:** It is understood and agreed that the relationship of Consultant to the Board is and shall continue to be that of an independent contractor and neither Consultant nor any of Consultant's staff, agents, employees or subcontractors shall be entitled to receive Board employee benefits. It is further understood and agreed that the Board shall not be responsible for, nor incur any liability for, any State or Federal withholding or other taxes or for FICA or State unemployment insurance for Consultant, its agents, employees or subcontractors, and the payment of any such taxes incurred or due by Consultant shall be the sole responsibility of Consultant. Consultant agrees that neither Consultant nor its staff or subcontractors shall represent themselves as employees or agents of the Board. Consultant shall provide the Board with a valid taxpayer identification number as defined by the United States Internal Revenue Code, including, but not limited to, a social security number or a federal employer identification number.

13. **Indemnification**

- a. Consultant agrees to defend, indemnify and hold harmless the Board, its members, employees, agents, officers and officials from and against any and all liabilities, losses, penalties, damages and expenses, including but not limited to costs and attorney fees, arising out of any and all claims, liens, damages, obligations, actions, suits, judgments or settlements, and/or causes of action, of every kind, nature and character arising or alleged to arise out of the negligent or willful acts or omissions of the Consultant, its officials, agents, employees and/or subcontractors in the performance of this Agreement. Without limitation as to the foregoing, Consultant hereby further agrees to indemnify, hold harmless and defend the Board from and against any and all claims, liabilities, losses, expenses, including but not limited to attorney's fees, fines, penalties, taxes or damages (collectively "Liabilities") incurred by or asserted against the Board to the extent such Liabilities result from a claim that the Services or deliverables, pursuant to this Agreement, violate any third party's trade secret, trademark, copyright, patent or any other proprietary rights.
- b. Consultant shall, at its own cost and expense, appear, defend and pay all attorney fees and, other costs and expenses arising hereunder. In addition, if any judgment shall be rendered against the Board in any such action, the Consultant shall, at its own expense, satisfy and discharge such obligation of the Board. The Board shall

have the right, at its own expense, to participate in the defense of any suit, without relieving the Consultant of any of its obligations hereunder. The Board retains final approval of any and all settlements or legal strategies which involve the interest of the Board.

- c. The indemnities set forth herein will survive the expiration or termination of this Agreement.

14. **Non-Liability of Board Officials:** Consultant agrees that no Board member, employee, agent, officer and/or official shall be personally charged by Consultant, its members if a joint venture, or any subcontractors with any liability or expense under this Agreement or be held personally liable under this Agreement to Consultant, its members if a joint venture, and/or any subcontractors.

15. **Insurance:** Consultant, at its own expense, shall procure and maintain insurance covering all Services under this Agreement, whether performed by Consultant or by subcontractors. All insurers shall be licensed by the State of Illinois and rated VII or better by A.M. Best or a comparable rating service. Consultant shall submit to the Board satisfactory evidence of insurance coverage and in the event of litigation and upon request, shall promptly provide a certified copy of any applicable policy of insurance. Minimum insurance requirements are:

Workers' Compensation and Employers' Liability Insurance. Workers' Compensation Insurance affording workers' compensation benefits for all employees as required by law and Employers' Liability Insurance covering all employees who are to provide Services under this Agreement with limits of not less than Five Hundred Thousand Dollars (\$500,000.00) per occurrence for accident and disease. The workers compensation policy will contain a waiver of subrogation clause.

Commercial General Liability Insurance (Primary and Umbrella). Commercial General Liability Insurance or equivalent with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) in the aggregate for bodily injury, personal injury and property damage. Liability coverage shall include the following: all operations, products/completed operations (for a minimum of two (2) years following completion), independent contractors, separation of insureds, defense and contractual liability.

Automobile Liability Insurance. Automobile Liability Insurance when any motor vehicle (whether owned, non-owned or hired) is used in connection with Services to be performed, with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence for bodily injury and property damage.

Professional Liability/Errors & Omissions Insurance. Professional Liability/Errors & Omissions insurance covering acts, errors or omissions with limits of not less than Five Million and 00/100 Dollars (\$5,000,000.00) per claim.

Coverage extensions shall include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work under the Agreement. A claims-made policy which is not renewed or replaced with a policy retroactive date coinciding with or preceding the start of work under this Agreement must provide for an extended reporting period of not less than two (2) years. Subcontractors performing work for Consultant must maintain limits of not less than One Million and 00/100 Dollars (\$1,000,000.00) per occurrence with the same terms herein.

Additional Insured. Consultant shall have its General and Automobile Liability Insurance policies endorsed to provide that the Board of Education of the City of Chicago, a body politic and corporate, and its members, employees and agents specifically named or designated by the Board regarding these Services, and any other entity as may be designated by the Board are named as additional insured on a primary basis without recourse or right of contribution from the Board.

Insurance Certificate. The insurance company, or its representative, shall submit an insurance certificate evidencing all coverage as required hereunder and indicating the Additional Insured status as required above. Board will not pay the Consultant for any work if satisfactory proof of insurance is not provided prior to the commencement of services. The certificate must provide sixty (60) days prior written notice of material change, cancellation, or non-renewal be given to:

Chief Purchasing Officer
Board of Education of the City of Chicago
125 S. Clark Street, 10th Floor
Chicago, Illinois 60603

General. Any failure of the Board to demand or receive proof of insurance coverage shall not constitute a waiver of Consultant's obligation to obtain the required insurance. The receipt of any certificate does not constitute an agreement by the Board that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements.

Consultant's failure to carry or document required insurance shall constitute a breach of this Agreement. Non-fulfillment of the insurance conditions may constitute a breach of the Agreement, and the Board retains the right to stop all work until proper evidence of insurance is provided; or the Agreement may be terminated by the Board, at Board's discretion. Board will not pay the Consultant for any Work if satisfactory proof of insurance is not provided before the commencement of Services.

Any deductibles or self-insured retentions on referenced insurance coverage must be borne by Consultant. Any insurance or self-insurance programs maintained by

the Board of Education do not contribute with insurance provided by the Consultant under the Contract.

All subcontractors are subject to the same insurance requirements of Consultant unless otherwise specified in this Agreement. Should any subcontractors actually perform services hereunder, the Consultant shall require any such subcontractors to maintain comparable insurance naming the Consultant, the Board inclusive of its members, employees and agents, and any other entity designated by the Board, as Additional Insureds. The Consultant will maintain a file of subcontractor's insurance certificates evidencing compliance with these requirements.

The coverages and limits furnished by Consultant in no way limit the Consultant's liabilities and responsibilities specified within the Agreement or by law. The required insurance is not limited by any limitations if any, expressed in the indemnification language in this Agreement or any limitation that might be placed on the indemnity in this Agreement or that might be given as a matter of law.

The Consultant agrees that insurers will waive their rights of subrogation against the Board.

In the event of litigation, and upon Board request, Consultant and/or its subcontractors shall promptly provide a certified copy of any applicable policy of insurance. The Board reserves the right to modify, delete, alter or change insurance requirements at any time.

16. **Non Discrimination:** It shall be an unlawful employment practice for Consultant or any of its subcontractors to fail or refuse to hire or to discharge any individual, or otherwise to discriminate against any individual with respect to compensation, or the terms, conditions, or privileges of employment, because of such individual's race, color, ancestry, religion, sex, sexual orientation, age, handicap, marital status, parental status, military discharge status, or national origin, or to limit, segregate, or classify employees or applicants for employment from equal employment opportunities or otherwise adversely affect an individual's status as an employee because of such individual's race, color, ancestry, religion, sex, sexual orientation, age, handicap, marital status, parental status, military discharge status, or national origin. Consultant shall comply with the Civil Rights Act of 1964, as amended, 42 U.S.C.A., Section 2000, *et seq.* the Age Discrimination in Employment Act, 29 U.S.C.A. §621, *et seq.*, Section 504 of the Rehabilitation Act, 20 U.S.C.A. §701, *et seq.*, as amended, the Americans with Disabilities Act, 42 U.S.C.A. §12101, *et seq.*, and the Illinois Human Rights Act, 775 ILCS 5/1-10, as amended, and the Chicago Human Rights Ordinance, MCC ch. 2-160.
17. **Assignment:** This Agreement shall be binding on the parties and their respective successors and assigns; provided, however, that neither party may assign this Agreement or any obligations imposed hereunder without the prior written consent of the other party.
18. **Entire Agreement; Amendments:** This Agreement, including all exhibits and referenced documents, constitutes the entire agreement of the parties with respect to the

matters contained herein. No modification of or amendment to this Agreement shall be effective unless such modification or amendment is in writing and signed by both parties.

19. **Survival/Severability:** All express representations or indemnifications made or given in this Agreement shall survive the completion of Services by Consultant or the termination of this Agreement for any reason. If any provision or part of this Agreement is held to be unenforceable, this Agreement shall be considered divisible and such provision shall be deemed inoperative to the extent it is deemed unenforceable, and in all other respects this Agreement shall remain in full force and effect; provided, however, that if any such provision may be made enforceable by limitation thereof, then such provision shall be deemed to be so limited and shall be enforceable to the maximum extent permitted by applicable law.
20. **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois without regard to any conflict of law or choice of law principles.
21. **Waiver:** No delay or omission, or series of delays or omissions, by the Board to exercise any right hereunder shall be construed as any type of waiver of any such right, and the Board reserves the right to exercise any such right from time to time as often as may be deemed expedient.
22. **Conflict of Interest:** This Agreement is not legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their terms of office.
23. **Indebtedness:** Consultant agrees to comply with the Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as may be amended from time to time, which policy is hereby incorporated by reference as if fully set forth herein.
24. **Inspector General:** Each party to this Agreement hereby acknowledges that in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.
25. **Right of Entry:** Consultant, and any of its officers, employees, or agents, performing services shall be permitted to enter upon the site in connection with the performance of the Services hereunder, subject to the terms and conditions contained herein and those rules established by the Board and either accessible to the public or communicated to Consultant prior to entry. The Consultant shall provide advance notice to the Board whenever applicable, of any such intended entry. Consent to enter upon a site given by the Board shall not create, nor be deemed to imply, the creation of any additional responsibilities on the part of the Board. The Consultant shall use, and shall cause each of its officers, employees and agents to use, the highest degree of care when entering upon

any property owned by the Board in connection with the Services. Any and all claims, suits or judgments, costs, or expenses, including reasonable attorney fees, arising from, by reason of, or in connection with any such entries shall be treated in accordance with the applicable terms and conditions of this Agreement, including without limitation, the indemnification provisions contained in this Agreement.

26. **Joint and Several Liability:** In the event that Consultant, or its successors or assigns, if any, is comprised of more than one individual or other legal entity (or a combination thereof) then, and in that event, each and every obligation or undertaking herein stated to be fulfilled or performed by Consultant shall be the joint and several obligation or undertaking of each such individual or other legal entity.
27. **M/WBE Plan:** Consultant acknowledges that it is familiar with the requirements of the Board's Remedial Plan for Minority and Women Business Economic Participation and agrees to comply with the provisions of such plan.
28. **Notices:** All notices required under this Agreement shall be in writing and sent to the addresses and persons set forth below, or to such other addresses as may be designated by a party in writing. All notices shall be deemed received when (i) delivered personally; (ii) sent by confirmed telex or facsimile (followed by the actual document); or (iii) one (1) day after deposit with a commercial express courier specifying next day delivery, all with written verification of receipt.

IF TO THE BOARD: Board of Education of the City of Chicago
Finance Department
125 South Clark Street, 14th Floor
Chicago, Illinois 60603
Attn: Chief Financial Officer

Copy to: Patrick J. Rocks, General Counsel
125 S. Clark, 7th Floor
Chicago, Illinois 60603
Fax: (773) 553-1701

IF TO CONSULTANT: Buck Consultants, LLC

Attn: _____
Fax: _____

29. **Board Approval:** This Agreement is subject to approval of the members of the Chicago Board of Education.
30. **Survival.** The provisions of this Agreement which by their nature are customarily intended to extend beyond the expiration or earlier termination of the engagement, such as without limitation indemnification, shall so survive and remain in effect.

31. **Freedom of Information Act.** Consultant acknowledges that this Agreement and all documents submitted to the Board related to this contract award are a matter of public record and are subject to the Illinois Freedom of Information Act (5 ILCS 140/1) and any other comparable state and federal laws and that this Agreement is subject to reporting requirements under 105 ILCS 5/10.20.40. Consultant further acknowledges that this Agreement shall be posted on the Board's Internet website at www.cps.edu.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

**BOARD OF EDUCATION OF THE
CITY OF CHICAGO**

By: Opal F. Walls 2/4/10
Opal Walls, Chief Purchasing Officer

BUCK CONSULTANTS, LLC

By: [Signature]

Name: Larry Langer

Title: Principal

Attest: [Signature]

Name: Deannette L. Torres

Title: Regional Coordinator

Approved as to legal form:

By: [Signature]
Patrick J. Rocks, General Counsel *mf*

CPOR No. 10-202-CPOR-1114

EXHIBIT A

I. Pension Funding/Contribution Options.

Consultant will review the most recently-available actuarial valuations of the Chicago Teachers Pension Fund ("CTPF") and related documents. Consultant will communicate with, and obtain data from, CTPF's actuary as necessary. If requested by the Board's CFO, Consultant will be available to assist the Board's and Chicago Public Schools' ("CPS") staff to present funding alternatives to CTPF, CTPF stakeholders, and the Illinois General Assembly.

Consultant will develop a projection/modeling tool that will allow Board or CPS staff to evaluate alternate scenarios for making the additional annual pension contributions to CTPF, as required by Article 17 of the Illinois Pension Code, beginning in FY 2010. By way of example, and without limitation, Consultant will estimate the annual fiscal impact on the Board and CPS of, at a minimum, the following options:

- Defining CPS' FY 2010, FY 2011, FY 2012, and FY 2013 contributions to CTPF as Employer's Normal Cost;
- Adopting a revised definition of CTPF's projected assets, which would delay recognition of investment losses, similar to the action taken with respect to the Teachers Retirement System by Public Act 96-0043;
- Alternate financing arrangements, such as the issuance of Pension Obligation Bonds ("POBs");
- A version of Governor Quinn's 2009 proposed pension reform plan for CTPF, under which new employees would remain in a Defined Benefit Plan, but with lower retirement benefits;
- A version of the Chicago Transit Authority pension reform plan, as set forth in Public Act 95-0708, for CTPF;
- Extending CTPF's funding deadline from 2045 to 2055;
- Extending CTPF's funding ramp from 2010 to 2025;
- Variations on the "9% Solution" proposed in Amendment 1 to Senate Bill 1858 (96th General Assembly), attached hereto; and
- Other scenarios or options as requested by Board or CPS staff.

II. Retiree Health Insurance Analysis.

Consultant will further perform the following in accordance with the terms and conditions of the Agreement:

A. *Assess Current Retiree Health Insurance Program*

- Review current plan provisions, including but not necessarily limited to plan design, participant and dependent contributions, and eligibility
- Comment and provide written analysis on current provisions, relative to Consultant's experience with other governmental health insurance programs
- Provide two to three alternative scenarios for modifying the provision of the program to meet current funding constraints

B. *Analyze Alternative Funding Arrangements based on the following:*

1. Cost-sharing plan (similar to Illinois Teachers Retirement Insurance Program)
2. Other Post Employment Benefits (OPEB) settlement trust (similar to United Auto Workers and/or CTA)
3. For both of the above funding arrangements Consultant will provide the following:
 - Provide a written analysis of the nature and structure of these alternative funding methods
 - Provide a written explanation of the nature and structure of these alternative funding methods, relative to the current funding situation
 - Provide a written estimate of funding amounts that would be required to continue benefits at the current levels

Consultant will provide such additional or ancillary services as requested by CFO regarding Sections I and II.

III. Deliverables.

Consultant will provide the above estimates, reviews and evaluations to the Board in writing or electronic format as determined to be acceptable by Board's CFO.

IV. Timelines.

Services will be performed according to the following deadlines:

- a. Consultant will submit a written project plan for Section I above, in its entirety, by February 1, 2010.
- b. Consultant will complete preliminary analysis for Section I above by February 8, 2010, and provide such in writing to the Board.
- c. Consultant will complete final analysis for Section I above by February 22, 2010 and provide complete written analysis to Board.
- d. Timelines for Section II will be as determined by CFO and communicated to Consultant prior to commencement of the Section II services.
- e. Any revisions to the above timelines will be at the discretion of the Board's CFO.

EXHIBIT B

Consultant will provide any and all services and deliverables listed in Exhibit A, Section I and Section II for the total set amount of Fifty Two Thousand Dollars (\$52,000.00).

Consultant will provide any and all optional or ancillary services and deliverables pursuant to the Agreement, pursuant to prior request by the CFO, at the following hourly rates:

Title	Rate
Principal	\$424.00
Director	\$339.00
Consultant	\$291.00
Associate	\$231.00

The maximum amount payable to Consultant pursuant to this Agreement is Seventy Thousand Dollars (\$70,000.00).

Prior written authorization from the CFO or CFO's authorized representative must be given to Consultant for such in advance in order for any services or deliverables at hourly rates to be compensable.

Further, all payment hereunder is subject to all other terms and conditions of the Agreement including but not limited to Section 4. Compensation and Payment.

EXHIBIT C

Key Personnel

Principals - Larry Langer and John Lapinski

Directors - Paul Wilkinson and Dan Levin

Consultants - Marco Ruffini and Lawrence Lin

Associates - Laura Minetz and Valerie Long