

AUTHORIZE THE FIRST AND FINAL RENEWAL AGREEMENT WITH VARIOUS VENDORS FOR  
BANKING AND CASH MANAGEMENT SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize the first and final renewal agreement with various vendors to provide banking and cash management services at an estimated annual cost set forth in the Compensation Section of this report. Vendors were selected on a competitive basis pursuant to Board Rule 7-3. No services shall be provided by and no payment shall be made to any Vendor prior to the execution of their written agreements. The authority granted herein shall automatically rescind in the event each respective written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to these agreements is stated below.

Specification Number : 18-350048

Contract Administrator : Banks, Amy / 773-553-2280

VENDOR:

- 1) Vendor # 18606  
PNC BANK, NATIONAL ASSOCIATION  
1 NORTH FRANKLIN  
CHICAGO, IL 60606

Mr. Jonathan Casiano  
312 338-2295

Ownership: Publicly Traded Company

- 2) Vendor # 14474  
AMALGAMATED BANK OF CHICAGO  
30 N. LASALLE STREET  
CHICAGO, IL 60602

Mr. David Paxton  
312 822-3183

Ownership: Amalgamated Investment -  
100%

- 3) Vendor # 58545  
JPMORGAN CHASE BANK, NATIONAL  
ASSOCIATION  
10 SOUTH DEARBORN., STE IL1-1228  
CHICAGO, IL 60603

Joanne Meulendyke  
312 732-6988

Ownership: JPMorgan Chase and Co. -  
100%

USER INFORMATION :

Project

Manager: 12440 - Treasury

42 West Madison Street

Chicago, IL 60602

Stock, Walter M

773-890-8790

ORIGINAL AGREEMENT:

The original Agreement (authorized by Board Report 19-0626-PR11) in the amount of \$2,100,000 is for a term commencing July 1, 2019 and ending June 30, 2022, with the Board having one (1) option to renew for a period of two (2) years. The original agreement was awarded on a competitive basis pursuant to Board Rule 7-3.

OPTION PERIOD:

The term of this agreement is being renewed for two (2) years commencing July 1, 2022 and ending June 30, 2024.

OPTION PERIODS REMAINING:

There are no option periods remaining.

SCOPE OF SERVICES:

Vendor will continue to provide commercial banking services for the following service groups:

1. Corporate Banking - CPS' main checking and investment accounts for direct deposits to employees and vendors, including reconciliation of the accounts (JP Morgan Chase Bank, National Association).
2. Consolidated or School Banking - CPS' checking and investment accounts for all CPS schools, including reconciliation of the accounts (JP Morgan Chase Bank, National Association).
3. Electronic Disbursement Interchange (EDI) Services - CPS' electronic payment account for vendor and child support payments (JP Morgan Chase Bank, National Association).
4. Lockbox Processing - CPS' account for miscellaneous revenues, including the bank account and check processing/reconciliation (JP Morgan Chase Bank, National Association).
5. Check Printing Services - CPS' physical check printing for payroll and vendor payments (JP Morgan Chase Bank, National Association).

6. Cash Collections - CPS' cash collections from high schools and elementary schools lunchroom collections, including bank account and counting/reconciliation of cash collected (Amalgamated Bank of Chicago).

7. Purchasing cards - CPS' account for vendor payments on Board's corporate cards (PNC Bank, National Association).

**DELIVERABLES:**

Vendors will continue to provide:

1. General: Vendors will provide adequate customer services to address any issues that arise as well as an easily accessible online portal for statements and reporting.

2. Corporate Banking: JPMorgan Chase Bank, National Association will process the payroll file for paying employees through direct deposit, positive pay (active confirmation of outgoing payments), stop payments and wire transfers, among other services. Vendor will provide an upload of all bank information into the Board's systems to provide reconciliation services. Vendor will provide an earned allowance credit collateralized by approved securities on depository balances. Vendor will have the technological capability to safeguard payment and the Board's financial information.

3. Consolidated Banking: JPMorgan Chase Bank, National Association will establish and maintain over 550 school checking accounts (Internal Accounts), establish school investment accounts, process deposits at vault and branch locations. Vendor will provide and upload all bank information into the Oracle IAMS system and provide reconciliation services. Vendor will provide an earned allowance credit collateralized by approved securities on depository balances.

4. EDI: JPMorgan Chase Bank National Association will process Electronic Data Interchange (EDI) payment services to all CPS vendors and process child support payments and ACH Returns and provide online reporting and report reconciliation. Vendor will provide an earned allowance credit collateralized by approved securities on depository balances. Vendor will have the technological capability to safeguard payments and the Board's financial information.

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- Negotiated new contract pricing that is expected to generate over \$2.5mm of savings through lower fees paid over 5-years.
- Negotiated an updated higher cash rebate based on a percentage of the CPS credit card spend.
- Negotiated a new overnight credit limit that will provide for the elimination of the 2 day pre-payroll funding, and at the onset of the new agreement payroll will be funded on the date of payroll. This will provide an additional 52 days of interest earned per year on deposits that could generate over \$1.25 million annually. (Total of 52 days of interest earned per year on deposits that could generate over \$1.25 million annually.)

Ethics - The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

Contingent Liability - The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

