

MAY 5, 2005

26669

**SUMMARY OF THE MEETING
BOARD COMMITTEE ON FINANCE AND ADMINISTRATIVE SERVICES**

Tuesday, May 3, 2005

In attendance:**Chairman**

James Tyree

Chancellor:

Wayne Watson

Board Members:

James Dyson

Student Board Member:

John Joyner

Assistant Board Secretary:

Regina Hawkins

Vice Chancellors:

Yolande Bourgeois

Deidra Lewis

William Donahue

Abe Eshkenazi

Claudine Jones

Michael Mutz

Xiomara Metcalfe

Treasurer:

Dolores Javier

Faculty Council President:**President/Representative:**

John Wozniak, HW

Charles Guengerich, WR

Dr. Michael Schoop, TR

Zerrie Campbell, MX

Clyde El-Amin, KK

Sylvia Ramos, DA

Valerie Roberson, OH

District Office Staff:

Ruth Arias

Cynthia Armster

Jose Aybar

Bruno Bellissimo

Jane Barnes

Kevin Fair

Juliette Ferguson

Janis Gertrude

James Gonsiorek

Antonio Gutierrez

Shawn Koestering

Eugenia Krzyzanski

Maria Moore

Ralph Passarelli

Jennifer Seldon

Cynthia Sexton

Ramona Shaw

Angela Starks

Sheadrick Tillman

Elsa Tullos

Office of Finance Report

- A summary of investments at market value as of March 31, 2005 was included in the board packet.
- The following agreements were presented for board approval:
 - 4A – Training and Counseling Services
Truman College - \$38,880.00
 - 4B – Theatre and Audio Visual Consultant
Malcolm X College – \$1,898.30
 - 4D – Audit Services Agreement for Deloitte & Touche
District Office - \$17,000.00
- The following purchases were presented for board approval:
 - 6A– Furniture for Admissions Department.
Olive Harvey - \$18,554.00
 - 6B – Professional Agreement with Avex
Daley - \$279,604.00
 - 6D– Five year lease agreement for color presses.
Kennedy King College - \$ 24,829.00
 - 6E– Audit Services Agreement for Deloitte & Touche
District Office - \$17,000.00
- The nine months ended total revenue amounts to \$183 million compared to a budget of \$199 million. The local and state government variances are timing and are forecasted to meet annual budget by year end.

Office of Finance Report, cont'd

- The majority of the other variances are in auxiliary/enterprise funding which is not meeting budget expectations.
- It was noted that tuition revenue includes the spring semester for the current academic year without the corresponding expenses.
- On the expense side, total expenditures amounted to \$152 million compared to a budget of \$194 million, resulting in a positive variance of approximately \$41.7 million. The differences were attributed to the salaries and related fringe, timing differences in contractual services, capital outlay and contingency funds
- Netting the expenses from the revenue there was a noted increase in fund balance of \$31 million compared to a budget of \$5 million.
- It was projected that revenues will be within 1% of budget or down approx \$2.8, these are primarily auxiliary funding.
- On the expense side there was a projection to be under budget by approximately \$13 million.
- The majority of the savings are projected to be in salaries and related fringes. The negative variance in capital outlay reflects transfers to general materials and supplies which is forecasted to be over budget.
- Netting the expense from the revenues there was a projection of a positive variance of \$4.6 million. Compared to a budgeted deficit of \$6 million.
- Finance will continue to monitor the expenditures between now and year end.
- Treasurer, Dolores Javier provided an update on the American Express to Foster Group transition.

Office of Information Technology

The OIT update was not provided at this Committee meeting. OIT's full presentation was referred to Thursday's May 5, 2005 Regular Board Meeting.

Office of Administrative Services

- As part of the Mayor's Office and the City of Chicago's efforts for "Earth Week", the City put on a contest of all city agencies to see which entity could recycle the most waste during "Earth Week". The District office at CCC won the contest by recycling more than 11 tons of paper and cardboard during this week. An award certificate was presented to CCC during the Mayor's Arbor Day celebration last Friday.
- The following board reports were presented to the Board for approval:
 - 4H: Professional Consultant Services: Contract between CCC and SDI, (a certified MBE) Chicago for the consulting services related to the Computerized Maintenance Management System (CMMS). - \$348,500. The funding is from the 1999 GOB.
 - 4K: Amendment to the Energy Upgrade project at MXC: This report wishes to amend Board Report 26606, dated March 3, 2005 related to the Energy Upgrade Project at MXC. As such there is a need to increase the scope and funding of this portion of the project by \$4,707,205 bringing their portion of this project up from \$8m to \$12,199,563. Administrative Services requests the Board approve this increase in scope of work and funding. The increase falls within the total budget allocated for this project.

Office of Administrative Services (cont'd)

- 4L: Architectural and Engineering Services for first floor and restroom renovation MXC project: Agreement between CCC and Architects Enterprise, Ltd. (a certified MBE) for architectural and engineering services. \$400,000 and will be paid from the MXC renovation budget.
- 4M: Commissioning on the MXC Energy Upgrade Project: Agreement between CCC and Exelon Corporation. - \$255,000 - MXC Renovation budget.
- 4N: Daley College and Olive-Harvey College Chiller Maintenance Contract: Agreement between CCC and Hill Mechanical for maintenance on the new chiller systems at Daley and Olive-Harvey Colleges. - \$48,944 over the next 4 years.
- 6M: Emergency Video Surveillance for the South Shore Culinary Program: Request to ratify the Chairman's pre-approval for \$89,400 to Universal Electric.