SUMMARY OF THE MEETING OF
THE BOARD COMMITTEE ON FINANCE & ADMINISTRATIVE SERVICES

Tuesday, April 5, 2005

Office of Finance Report

- The following resolution was presented for board approval:
  
  o 1B: Authorizing the transfer of funds as required by the Public Community College Act

- The following agreements were presented for the board approval:
  
  o 4A-Apple Computer Purchase for Olive Harvey College
  o 4B-Professional Consultant Services for the Office of Finance, District Office
  o 4C-Consultant Services-Test Prep Curriculum Development for Truman Middle College
  o 4F-Rental of Graduation Site for Harold Washington College
  o 4I-Employee Benefit Consulting Agreement-AON Consulting, INC. for the Office of Finance, District Office

- Additional updated information were presented to the board:
  
  o Results of Operations for the eight months ended February 28, 2005.
  
  o Accordingly for the eight months ended total Revenue amount to $170 million compared to a Budget of $171.5 million. The majority of these variances are in contingent funding. The expenses for these accounts reflect corresponding positive variance.
  
  o The Tuition Revenue includes the spring semester for the current academic year without the corresponding expenses.
  
  o On the Expense side, total Expenditures amount to $138 million compared to a Budget of $155 million, resulting in a positive variance of approximately $16.5 million. The differences can be attributed to the salaries and related fringe, timing differences in capital outlay and contingency funds.
  
  o Netting the expenses from the Revenue we note an increase in fund balance of $31 million compared to a Budget of $16.5 million.

- Office of Finance also informed the board the following update on the forecast for the Year End:
  
  o We project Revenues will be within 1% of Budget or down approximately $2.7 million, these are primarily contingency funding.
  
  o On the expense side, we are projecting expense to be under Budget by approximately $9 million.
  
  o The majority of the savings are projected to be in salaries and related fringes.
  
  o Netting the expenses from the revenues we are currently projecting a breakeven budget, compared to a budgeted deficit of $6 million.
  
  o Our objective will be to monitor the expenditures between not and Year End.

- Mr. Eshkenazi presented Mike Mayo, Auditor Partner for Deloitte to provide an update on
Office of Information Technology

- Office of Information Processing reports:
  - PeopleSoft Student System completed the end user training for roll out 2.
  - As of April 4, 2005 the roll out 2 (financial aid pre-registration processing) that includes the completion of Free application for Federal Student Aid (FAFSA) and the awarding of federal aid to students for fall 2005 is in production.
  - Roll out 3; end user training for quick admit/quick enroll process will start mid April.
  - Student financials system testing and the training pilot will also start mid April.

- Office of Information presented the following agreement for board approval:
  - 4E-Cognos Corp software maintenance services annual renewal agreement and training services for the PeopleSoft enterprise systems.

Office of Administrative Services

- The following reports were presented for board approval:
  - 6G: Chiller Replacement, Kennedy-King College
  - 6H: Interior Construction of the South Shore Culinary Institute

- Office of Administrative Services provided the following update on the Energy Project for Malcolm X College and WSLS:
  - Numerous meetings have been held between the vendors, the college staff, and Administrative Services. Planning and scheduling have progressed. The college is very cooperative with the space allocation so that we can accomplish much of the initial work this summer when enrollment is lighter.