

27007

**SUMMARIZATION OF THE NOVEMBER 1, 2005
FINANCE AND ADMINISTRATIVE SERVICES COMMITTEE MINUTES**

Office of Finance Report

The following Treasury update was presented to the Board:

- The monthly Cash Flow report, Weiss, Peck & Greer's quarterly investment report as of September 30, 2005, the LaSalle Bank account analysis report, a Summary of the District's investments report as of September 30, 2005, and the quarterly inventory of bank accounts report for all district office and college accounts were included in the board packet.
- Additional detail regarding Weiss, Peck and Greer EEO data by type of employee was included in the board packet as previously requested by Board member Ralph Moore.

The following budget/finance update was presented to the Board:

- Executive Vice Chancellor and Finance continue their meetings with College faculty and administrators on the FY 2006 budget with a meeting at the Olive Harvey college. This brings the total number of briefings completed to three with previous meetings at Daley and Wright. A number of good budget questions were received from College faculty and staff during the presentations including the suggestion to mention in more detail the overall low level of state funding for community colleges in Illinois compared to national trends, the need for a more detailed breakout of District Office costs relative to the colleges' budgets, and more information on full-time versus part-time faculty costs.

The following update on Budget/State Funding issues were presented to the Board:

- The Districts executive staff met with the Board Chairman and President's Council liaison Ed Duffy to discuss community college State funding issues and trends. The District is faced with declining credit hours and increasing property tax extensions. The equalization grant may go down from \$13.4 million in FY 06 to \$10.4 million at 79.4% funding level, the FY 2007 Credit Hour Grant may go down by \$1.2 million if the credit hour rate stays the same as FY 2006.
- The Finance Office strongly recommended that the District maintains the \$15 million annual appropriation. The President's Council Ed Duffy felt this appropriation was now considered a part of the funding base for next year and should be left alone.
- The Finance Office drafted a response to Lake Land College President Robert Luther October 20, 2005 letter requesting the District's position on state funding. Copies will be made available to Board members.

The following update was provided on Student Revenue Issues:

- The Finance Office issued approximately \$3.5 million in student refunds to about 6,000 students due to the District receiving about \$10 million in federal PELL Grant Award in October.
- The Finance Office initiated a student Amnesty Plan on \$2.4 million in written-off student receivables

Office of Finance Report Cont'd

The following update was provided on Audit Issues:

- External Audit Deloitte & Touche LLP
FY 2004 – Final FY 2004 Invoice - \$196,000
Federal Single Audit A133
- FY 2005 – Completed diagnostic readiness review
Received draft engagement letter (\$677,000, 5,600 hours, work plan,
treasury audit agreed upon procedures status.
- Internal Audit Issues – Washington, Pittman, McKeever
Payroll audit in progress
ICCB credit hour review
- Required Financial Reports to be filed with ICCB in the Month of October:
FY 2005 Audit.

The following resolutions were presented:

- 1B Resolution to Utilize City Colleges of Chicago Construction Trained Students on Awarded Contracts.
- 4A Contract Renewal for District-wide Blue Cross Blue Shield Preferred Provider Organization (PPO) Medical Plan from Human Resources.
- 4B Contract Renewal for Medicare Eligible Retirees with Humana Inc.
- 4C Contract Renewal for CoreSource, Inc for Employee Dental Services from Human Resources
- 4D Contract Renewal for Ceridian Corporation for the administration of employee Flexible Spending Accounts from Human Resources.
- 4E Check Encoding Machines and Service Maintenance-District Wide.
- 4F Contract Award for Tax Increment Financing Advisory Service from the Office of Finance.
- 4G Facilitator for District's Strategic Planning Process submitted by Academic Affairs and the Executive Vice Chancellor.
- 4H Amendment to the Internal Audit Services Agreement for Deloitte & Touche from the Office of Finance.
- 4I – Pulled since it was determined that this is a training sub-contractor agreement
- 4J-Elevators and Escalators Full Maintenance Services (Contract Ratification)
- 4K Agreement for Facility Maintenance for the Washburne Culinary School from Kennedy King College.
- 4L Contract Award for Financial Advisory Services for the Office of Finance.
- 4M Contract Amendment for Internal Audit Services for the Office of Finance
- 4N – WYCC Membership Renewal – Program Resources Group
- 4O FIPSE AND NEH Great Books Program-Wright College - Not to exceed \$14,000.00 for the year.
- 4P – Contract Amendment, David Hilquist Board Report # 26701 - Not exceed \$ 96,000.

Office of Finance Report Cont'd

- 4Q – Consultant Services – Synch-Solutions – Office of Information Technology (OIT) \$6,216,640 for the period of January 1, 2006 – December 31, 2007.
- 4R- Consultant Services – Synch- Solutions – Office of Information Technology (OIT) - Not to exceed \$ 2,480,000 for the period of December 1, 2005 –November 30, 2006.
- 4S – Consultant Services – Oracle Inc. - Office of Information Technology (OIT) - Not to exceed \$22,000.
- 4T – Wilson Yard Agreement – Truman College - Not to exceed \$ 12,000 until September 30, 2006.
- 4U – Intergovernmental License agreement with Chicago Park District- Truman College. The Chicago Park District has agreed to waive the fees.
- 4V-Chicago Transit Authority- Intergovernmental License Agreement -Parking Lot - Rental fee of \$2,000 per month, and annual costs of \$24,000.
- 4W – Dual admissions agreement with DePaul University – Academic Affairs
- 4X- Renewal of Commercial Insurance Requirements - Not to exceed \$ 1, 028,904.

The following Purchases were presented:

- 6A - Purchase of China Sets for the Parrot Cage Restaurant - \$77,919.20
- 6B – Purchase of Telephone Switchboard Upgrade - SBC – Harold Washington College. - Not to exceed \$ 14,922.43.
- 6C Assessment Technologies Institute Practical Nursing Program - Not to exceed \$46,056 for school year 2005-2006.
- 6D Renovation Project – Wright College Classrooms - Not to exceed \$ 36,000.00
- 6E-Coach Bus Transportation Services - \$69,926.20 and \$97,183.30 to Coach USA and Olson Transportation respectively, in accordance with Sealed Bid# IW0514 dated August 10, 2005.

Office of Information Technology Report

- The following update to the enterprise plan was presented. Four of the goals were as follows:
 - Goal One – Maintain an information technology environment that is competitive with other community colleges.
 - Goal Two – Achieve and maintain the best in class network connectivity.
 - Goal Three – Provide and reached the second milestone with the use of PeopleSoft student system for fall registration.
 - Goal Four – Become recognized as a national leader in the use of technology to improve productivity and quality.
- By Fall of 2003, the Board adopted the Enterprise Budget Plan. Two years of the plan has been completed. One major event that will impact the plan will be Oracle's purchase of the PeopleSoft Corporation.
- OIT will implement the technical upgrade of the financial system which will be the budget module which was not part of the original Enterprise Plan.
- A presentation of OIT's accomplishments and recommendations as OIT proceeds with the Enterprise Plan was included in the board packet. The projected calendar date is 2006/2007 along with the Oracle Middleware briefing.

Office of Information Technology Report

- The following board reports were presented for approval:
 - 4Q – Synch Solutions – For continued the continued professional services consultants.
 - 4R – Synch Solutions – For the business process documentation
 - 4S – Oracle Inc.- To provide on an “as needed basis” basic and senior level functional support consultants to assist CCC with implementation of the Peoplesoft budget module. Provide guidance and assistance in the development of additional enrichments to the current system.

Office of Administrative Services

- The following update was given for Truman College:
 - The RFQ went out for the design renovation project for a design build project to place a temporary parking lot at AST to assist with parking due to the start of the Wilson yard redevelopment. A deal has been made with the Chicago Park District regarding using their parking lot on the lakefront and potentially shuttling students, faculty and staff from there to the campus.
- The following update was given fro Malcolm X College:
 - The punch list and close out of Phase I is underway. The start of Phase II has begun.
- The following update was given for Harold Washington College:
 - The final punch list is being completed Administrative Services is now working with the PBC to bring the issue of Liquidated Damages against Pacific Construction to the forefront. The LD for schedule overruns on this project is in excess of \$760,000. Administrative Services has contacted the PBC to request them to pursue these fees to the full extent of the contract.
- The following update was provided for the new Kennedy King College:
 - The process has begun. McClier has mobilized. There have been numerous discussions with the PBC and the City to discuss the budget gap. A resolution is forthcoming. Construction on the foundations is proceeding. The PBC has agreed to work with the contractors to hire community people and graduates of the Dawson Technical Institute programs for work on this project. The tentative date for the ground breaking ceremony at the NKKC project is Wednesday, November 9, 2005 at 10 a. However, the press and scheduling offices have indicated that this is a “working time” and may be subject to change.