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**BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508
COUNTY OF COOK AND STATE OF ILLINOIS**

**RESOLUTION AUTHORIZING AN INTER FUND LOAN FROM THE EDUCATIONAL
FUND TO THE WORKING CASH FUND AND VARIOUS ACTIONS RELATING
THERE TO**

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NUMBER 508, COUNTY OF COOK AND STATE OF ILLINOIS, AS FOLLOWS:

WHEREAS, the Community College District Number 508, County of Cook and State of Illinois (the "District") previously issued its Refunding Revenue Bonds, Series 1995 (Taxable) (the "Prior Bonds"), pursuant to: a resolution adopted by the Board of Trustees (the "Board") of the District on December 1, 1995; the Local Government Debt Reform Act of the State of Illinois, as amended (the "Debt Reform Act"); and the Public Community College Act, as amended (specifically by Public Act 89-281, approved and effective August 10, 1995) (the "Public Community College Act"); and

WHEREAS, the Board previously determined that it was advisable, necessary and in the best interest of the District to refund, or continue the refunding of, all or a portion of the outstanding Prior Bonds (the "Refunding") which will require the use of approximately \$28,197,900.00 of the District's funds; and

WHEREAS, the District previously established a working cash fund pursuant to Section 3-33.1 of the Public Community College Act (the "Working Cash Fund") for the purposes of set forth therein; and

WHEREAS, the Prior Bonds are reflected as a liability of the Working Cash Fund on the financial statements of the District and, pursuant to a resolution adopted by the Board on February 9, 2006, the District determined to use amounts on deposit in the Working Cash Fund to finance the Refunding; and

WHEREAS, the District has determined that it would have to liquidate investments in advance of their maturity at an economic cost to the District in order to finance the Refunding using amounts currently on deposit in the Working Cash Fund; and

WHEREAS, the District has readily available funds on deposit in its Educational Fund and Section 3-34 of the Public Community College Act authorizes the District to make inter fund loans (each an "Inter Fund Loan") from any fund to any other fund maintained by the District, but requires that any such loan be repaid to the proper fund within one year; and

WHEREAS, in order to finance the Refunding without having to liquidate investments on deposit in the Working Cash Fund, the District made an Inter Fund Loan of \$28,197,900.00 from its Educational Fund to the Working Cash Fund on March 31, 2006.

NOW, THEREFORE, Be It and It is Hereby Resolved by the Board of Trustees of Community College District Number 508, County of Cook and State of Illinois, as follows:

1. *Incorporation of Preambles.* The Board hereby finds that all of the recitals contained in the preambles to this resolution are full, true and correct and does incorporate them into this resolution by this reference.

2. *Inter Fund Loan.* The Board hereby authorizes the making of the Inter Fund Loan in the amount of \$28,197,900.00 from the Educational Fund to the Working Cash Fund for the purpose of financing the Refunding. As required by the Public Community College Act, the District shall repay the \$28,197,900.00 Inter Fund Loan on or before March 31, 2007 by making transfers from the Working Cash Fund to the Educational Fund from time to time as investments on deposit in the Working Cash Fund mature.

3. *General.* The Chairman, Vice Chairman, Secretary and employees of the District are each hereby authorized and directed, in the name of and on behalf of the District to execute and deliver any and all instruments, to perform any and all acts, approve any and all matters, and do any and all things deemed by them to be necessary or desirable in order to carry out the purposes of this Resolution and all actions of such officers or employees heretofore or hereafter taken in conformity with the intent and purposes of this Resolution are hereby in all respects ratified, confirmed and approved.

4. *Severability.* If any section, paragraph, clause or provision of this resolution shall be held invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the other provisions of this resolution.

5. *Repealer.* All resolutions or orders, or parts thereof, in conflict with the provisions of this resolution are to the extent of such conflict hereby repealed.

April 6, 2006