

MAY 4, 2006

27323

**SUMMARIZATION OF THE MAY 2, 2006  
FINANCE OFFICE, ADMINISTRATIVE SERVICES, AND OFFICE OF  
INFORMATION TECHNOLOGY COMMITTEE MINUTES**

**Office of Administrative Services Reports:**

The following purchases were submitted to the Board for approval:

- 4A- Professional services agreement with T & J Plumbing of Chicago, Illinois the sole responsive bidder for the plumbing repair services bid effective April 2006 - April 2009 in an annual amount not to exceed \$160,000.
- 4C- Professional services agreement with Schindler Elevator for \$407,160 (Group 2), an agreement with Professional Elevator for \$261,540 (Group1), and an agreement with Suburban Elevator for \$186,300 (Group3) for a three year period beginning May 5, 2006 through June 30, 2009.
- 4K- Professional services agreement with the Bauer Latoza Studio to provide architectural services for the Parrot Cage Restaurant in an amount not to exceed \$25,000.
- 4M- Extension of the professional services agreement with Aramark from May 5, 2006 – August 31, 2006 to provide facility maintenance for the South Shore Cultural School and Parrot Cage Restaurant in the amount not to exceed \$31,136.  
Bids for the new contractor will be out soon.

The following reports were provided for each campus:

- Malcolm X College

- Energy Performance Upgrade Contract

This project is close to completion. The first phase has been completed. Administrative Services is currently moving into Phase II.

- Heating System – 90% complete
- Cooling System – 70% complete
- Domestic Hot Water System – 98% complete
- Building Automation (Controls) System – 90% complete

- New Kennedy King College

- 99% of Phase I have been completed with Phase II beginning which includes structural steel erections, masonry, fireproofing, electrical and plumbing. The project is moving forward with it's masonry hires. Four Dawson Tech students have been hired with an increase of students hired to come.

- The following report was given for M/WBE:

- 12.3m expended for the 3<sup>rd</sup> quarter
- 42.3% minority contractors
- 2.1% WBE
- 44% Located in the city

The next quarterly report will be submitted in July.

## Office of Information Technology

The Office of Information Technology did not provide a report for the Board Committee Meeting.

## Office of Finance Reports:

### 2.1.1 TREASURY UPDATE:

- **Retired Working Capital Bonds:** The Finance Office paid approximately \$29 million on the scheduled May 1, 2006 call date to retire the District's outstanding taxable Working Capital Bonds.
- **Monthly cash flow and investments status report:** In your board packets this morning is the District's monthly cash flow and investment status report as of March 31, 2006. The highlights are as follows:
  - Revised the revenue cash flow forecast upward by \$2.6 million from prior month's report due to \$1.5 million increase in student tuition collections, an increase in the Corporate Personal Property Replacement Tax collections by \$1 million, and an increase in interest earnings due to higher yields;
  - Revised the expense cash flow forecast to include the termination of the bond warrant agreement and the cost of defeasing the \$29.1 million taxable revenue (working capital) bonds. The Salaries forecast was also revised downward by \$6.8 million.
  - As of the end of April 2006, the short-term investment balances total \$116 million.
  - The Weiss, Peck & Greer report notes investments yield above 5%.
  - The Finance Office will be working with Weiss, Peck & Greer to invest the CCC Foundation assets.
- **Quarterly Investments Report:** Also in your board packet this morning is the quarterly investment report of the District. It details the District's investments by type of investment instruments and provides a detailed listing of the specific securities as of the quarter ending March 31, 2006.

### 2.1.2 BUDGET/FINANCE UPDATE

- **Budget:**
  - The Finance Office has completed the academic program cost information from FY 2004 and FY 2005 APSA project.
- **Budget Development Status FY 2007:**
  - The Budget staff have been developing and updating the PeopleSoft budget development tool for the FY 2007 budget exercise.
  - We are using the Governor's FY 2007 budget recommendation figures as a key component of our State revenue assumptions. We expect the State budget to be adopted in the next several weeks.
  - The colleges and departments have submitted their operating budget requests, enrollment and tuition projections, and capital needs request.
  - We are holding college and department budget hearings through next week.
  - The Chancellor's budget recommendation is expected to be completed by mid-May and to the Board for approval at the June board meeting.

- **External Audit Status:**

- Deloitte & Touche LLP has completed the FY 2005 financial statements audit.
- They are closing out the other FY 2005 State grant audits and the Treasury Agreed-upon-procedures review.
- An Executive Audit Committee meeting has been scheduled for May 15.

### 2.1.3 PROCUREMENTS REPORT

- The monthly Micro City technology purchases report is included in the May 2006 Board Agenda within the Finance Committee section. It reports Micro City purchases for the month of March 2006 at about \$418,000.

#### Section 1 – Resolutions:

- 1A – amends the Board’s Investment and Depository Policies “Authorized Signatures for Depositories of Board Funds” to add Director of Business & Auxiliary Services William Occomy to Kennedy-King Colleges’ agency account, federal nursing aid account, Federal Perkins Account, and imprest account.
- Walk on Resolution:
  - The monthly budget transfers resolution and report for April 2006.

#### Section 3 - Resource Development:

- The Finance Office would like to point out Section 3 of the Board Agenda includes twenty five federal and state annual grant awards totaling over \$32 million for FY 2007.

#### Section 4 – Agreements:

- There are thirteen agreements for Thursday’s board meeting items 4A through 4M:
  - 4B - is a contract extension option with *Chartwells Dining Services* to continue providing cafeteria and vending services at CCC facilities on the same terms and conditions until December 18, 2006 in order to provide staff the opportunity to evaluate options and prepare a food services request for proposal. (All Colleges and District Office - Administrative Services)
  - 4D- is a professional services agreement for faculty professional development tuition with the Erikson Institute for child development and infant studies in the amount of \$12,500 for the period of June 1, 2006 to August 31, 2006. (Academic Affairs - District Office)
  - 4E – is for the ratification of payment for the provision of services from October 1, 2005 to May 4, 2006 and to enter into an agreement through June 30, 2006 with Mayer, Brown, Rowe, and Maw LLP to continue providing legal advisory services on the bond warrant agreement for \$35,000 for the Office of Finance.
  - 4F- is for the ratification of payment to Mayer, Brown, Rowe, and Maw LLP for IRS audit support services provided from July 1, 2005 to May 4, 2006 and to enter an agreement for the continued provision of legal services not to exceed \$24,000 for the Office of Finance.
  - 4G- is a professional services agreement with Dr Shaffdeen Amuwo to provide grant coordination and writing services at Daley College for the period of May 5, 2006 – June 30, 2006 in an amount not to exceed \$6,300.

- 4H- is a professional license agreement renewal with Elluminate Live for the period of May 6, 2006 – September 7, 2007 for a subscription fee of \$24,000 for Harold Washington College.
- 4I – is an amendment to the existing contract with 3(D) Definitive Datamation Design, Inc. to support hosting services for the period of May 1, 2006- June 2007, the total amount not to exceed \$45,000.00. (Harold Washington College/OIT)
- 4J- is a professional services agreement with the Council for Professional Recognition in the amount not to exceed \$9,750 to credential CDA candidates beginning May 6, 2006 – November 30, 2006 for Harold Washington College.
- 4L- is for a professional services agreement with Enviroplus, Inc for the required environmental remediation services in an amount not to exceed \$34,650 for Kennedy King College's Parrot Cage Restaurant and culinary class/laboratory at the South Shore Cultural Center. (Kennedy King College/Administrative Services)

- **Section 6 – Purchases**

There are six purchase board reports in Section 6 reports numbered 6A through 6F:

- 6A- is the collegiate purchase agreement with Apple Computer for the District for the period of April 2006 – April 2007 in an amount not to exceed \$245,000.
- 6B- is for the issuance of a purchase order to Copy Mor Inc. to provide reproduction service for the annual high school seniors graduation mass mailing in May 2006 for Academic Affairs in the amount of \$10,000.
- 6C- is for the purchase of mailing machine equipment for Truman College from Neopost in the amount of \$17,719.16.
- 6D- is for the purchase of a 2006 Chevrolet Impala vehicle from Advantage Chevrolet (low bidder) for Wright College Security Department in the amount of \$17,383.95.
- 6E- is for the issuance of a purchase order to Progressive Industries, Inc. to supply and deliver a spectrometer to the Sciences Department at Wright College in the amount of \$16,523.91.
- 6F- is for the issuance of a purchase order to Illinois Public Broadcasting Council for a three year period in the amount of \$60,000 for WYCC-TV 20 membership.

Walk-on item:

- 6G – is for the purchase of three 4-door, 4 wheel drive 2007 Ford Escapes for Kennedy-King College Security Department in the amount of \$71,025.

- **Section 7**

- 7D - Utility, Postage and other monthly expenditures summary