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ADOPTED - BOARD OF TRUSTEES
COMMUNITY COLLEGE DISTRICT NO. 508
AUGUST 9, 2007

BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508
County of Cook and State of Illinois

PAYMENT PROCESSING SERVICES
OFFICE OF FINANCE
ALL COLLEGES

THE CHANCELLOR

REPORTS

that there are currently separate agreements between MalcolmX College, Truman College, Harold Washington, Olive-Harvey, Kennedy-King College and FACTS Management Co. (FACTS) now Nelnet Business Solutions (NBS) to provide payment processing services to students who desire to enter into a payment plan to pay tuition and fees; and

that since 2003 FACTS has provided students from the aforementioned colleges with no interest partial payment plan using easy on-line enrollment, and flexible payment options such as automatic bank (ACH) debit, credit card, or full payment (e-cashier) for a non refundable fee of \$25.00 payable to FACTS; and

that FACTS acts as a custodial agent for the District to process, and transfers the successfully collected funds to the District depository bank account on the agreed upon schedule – funds collected, via ACH, on the 5th of the month are remitted on 15th of the same month and funds collected on the 20th of the month are remitted on the last day of the same month, all funds collected from credit card transactions on the 5th of the month will be deposited on the 10th and funds collected on the 20th will be deposited on the 25th of the same month; and

that FACTS is providing the same services to a twenty-six other Illinois Community Colleges – Morton, Triton, College of DuPage, Oakton, etc.- enrolling 21,121 students with an average 95% collection rate ; and

that 2,464 students from the five City Colleges listed have used the FACTS payment plan and the colleges are satisfied with the services provided by FACTS ; that Daley College will be utilizing the services beginning Fall 2007; and

that it is to the best interest of the District to expand the use of this payment plan services to all the colleges to improve enrollment and to replace the individual college agreement with a master contract for the District as a whole ; standardize the terms and conditions of the agreement; enable the colleges to take advantage of future service features under development to enhance all payment plans and payment options including the use of pending financial aid, collecting third party payments and others; and

that FACTS is the only provider that the Office of Finance and the Colleges has been in contact with for these services ; that it is the intent to explore the market for other providers that maybe available and issue a request for proposal; and

that the Office of M/WBE Contract Compliance has reviewed the above referenced payment processing services agreement and since these services are a continuation of previous approved agreements and it is recommended that a waiver from compliance with the Board approved Participation Plan be granted.

THE CHANCELLOR

RECOMMENDS that the Board of Trustees authorize the Chairman to enter into a master agreement with Nelnet Business Solutions formerly FACTS Management Co., Lincoln, NE to provide payment processing services for a three-year period from, August 1, 2007 through July 30, 2010 with an option to extend for an additional 2-year .

FINANCIAL No cost to the District. Fees are paid by the students directly to FACTS

Respectfully submitted,

Wayne D. Watson
Chancellor

August 9, 2007-Office of Finance