

**SUMMARIZATION OF THE DECEMBER 6, 2007
FINANCE OFFICE, ADMINISTRATIVE SERVICES, AND OFFICE OF
INFORMATION TECHNOLOGY COMMITTEE MINUTES**

Office of Finance Report

TREASURY UPDATE

Monthly cash flow and investment status report: The District's Treasurer prepared the FY 2008 Monthly Cash Flow Report with actual results through October 2007 (with close to final estimates for November) for today's meeting. This report covers the District's operating cash and investment fund receipts, disbursements, and balances. Total projected receipts for Fiscal Year 2008 were up about \$190,000 due to upward revision to the Personal Property Replacement Tax and interest earnings forecast. Expense projections are up by \$2.2 million from last month's projections due to payments made for capital projects.

Total cash balances at the end of October were \$110.7 million, down \$36.6 million from September's \$147.3 million balance and above the District's minimum balance goal of \$83 million. Total Operating fund balances, including restricted and medium to long term investments total \$168.2 million.

Table 1. District Operating Funds as of October 2007 (Dollars in Millions)

<u>Duration</u>	<u>Beginning Balance</u>	<u>In Flow</u>	<u>Out Flow</u>	<u>In/Out Invest.</u>	<u>End</u>
<u>Balance</u>					
Cash	\$ 10.6	\$ 23.7	\$ 29.8	\$ 5.4	\$ 9.9
State Treasurer	<u>136.6</u>	<u>18.9</u>	<u>54.7</u>	<u>0.0</u>	<u>100.8</u>
Subtotal Cash	\$147.2	\$ 42.6	\$ 84.5	\$ 5.4	
\$110.7					
Restricted	0.9	.0	-0-	-0-	
.9					
Medium-Long	<u>56.4</u>	<u>.2</u>	<u>-0-</u>	<u>-0-</u>	
<u>56.6</u>					
Total Operating	\$204.5	\$ 42.8	\$ 84.5	\$ 5.4	
\$168.2					

Also reported is the Public Financial Management, Inc (PFM) commentary as of the end of November 2007 detailing portfolio performance trend.

- PFM Duration. The PFM Group reports that medium to long term investment duration at the end of October 2007 was up to .73 years from prior months .16 years.
- PFM Returns. The PFM Group's November return was .415% (4.98% annualized) compared to the portfolio's October 2007 investment returns, net of fees, is .501% duration of approximately 0.86 years.
- Illinois Fund Returns. The District's end of October 2007 invested cash position of \$100.7 million is primarily invested in two Illinois Fund accounts. The end of October

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- Money Market Fund balance was \$38.9 million, up from \$12 million at the end of September 2007, with a return was .34% net of fees. The Prime Fund Portfolio balance was \$71.3 million, down from \$124 million and duration is about 30 days .39% net of fees.

Budget Update – Initial planning and preparation of the FY 2009 Budget process is underway:

- The Budget staff has updated the long-range financial plan and has begun discussion on multi-year tuition and fee proposal;
- We are monitoring the pending CTA bail out legislation for potential capital appropriations;
- The Budget Director is completing the FY2009 budget development calendar.
- The Budget Director is working with Harold Washington College to develop a new Workforce Development Institute.

Capital Projects Funding Status – First, meetings were held with the City on the \$10 million in Wilson Yard TIF funding for the new Student Services Center and Parking Structure project at Truman College.

Secondly, State Chief Operating Officer John Filan confirmed in writing that the State's \$15 million in funding for the new Kennedy-King College campus has not been programmed in this year State budget. Other capital projects will be delayed or cancelled in order to fund the remaining balance due on this project.

Thirdly, the Chancellor requested a search for additional adult education training sites throughout the City's North side. Several options have been identified for Wright College and Truman College.

Student Financial Assistance – During November 2007, Student Financial Assistance staff:

- Disbursed \$11.5 million in Pell payments to students;
- Paid out over \$282,000 in SEOG payments;
- Issued approximately \$8.8 million in student refunds to about 11,000 students;
- Mailed about 5,900 final delinquent payment notices, totaling approximately \$3.2 million;
- Provided extensive SAP training to Deans, Asst. Deans & Academic Advisors;
- Received executive approval to eliminate the attendance taking practices for FY 2009;
- Received executive approval to standardize the District's financial aid processes.

PeopleSoft Financial System Upgrade - The Finance Office is working closely with OIT to insure a smooth and successful upgrade to PeopleSoft 8.9. The Finance System version 8.9 put was placed in production on November 19th. Training of users occurred the week before the go live and continued up to the present. Post -implementation support is provided continuously, and an issue log is being maintained and monitored to ensure timely and permanent resolution of all issues. The Office of Information Technology is continuously monitoring the system performance (speed), and fine tuning of the system is occurring to make sure that processes are running efficiently.

External audit status:

- The FY2007 basic financial statement audit is almost complete. We are still working diligently to make the December 17 completion deadline.
- WYCC – TV20 audit was completed and filed on time with CPB for second year in a row

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- Foundation audit was completed.
- Federal Single audit is in final auditor review
- ICCB required grant audits are in final Deloitte review
- Other State Program Grant audits are in final Deloitte review
- The annual Treasury Agreed Upon Procedures review still underway.
- The major due dates of the various annual financial audits are as follows:

<u>Audit Report</u>	<u>Due Date</u>	<u>Status</u>
Basic Financial Statements	October 15, 2007	December 17, 2007
ICCB Required, and Grants	October 15, 2007	December 17, 2007
Foundation Audit	November 15, 2006	On time
WYCC and Grants	November 30, 2006	On time
Federal Single Audit (A-133), Grants	March 31, 2008	Early Jan. 2008
Treasury Agreed Upon Procedures	N/A	January 15, 2008

Internal Audit Summary – Internal Audit has completed a special audit of the CTA passes purchased by CCC to ensure there are proper controls over the storage and distribution of these cards. The full report with recommendations for strengthening internal controls will be presented at the December 2007 Executive Audit Committee meeting. Also, Internal Audit completed the annual Risk Assessment AND Multi-year audit plan.

Executive Audit Committee - Meets on Tuesday, December 11, 2007 to review these reports in more detail.

Other Audit Activity – The District's Treasurer held several meetings with the Internal Revenue Service to close out several remaining 2003 issues. The District also received a final determination letter from the U.S. Department of Education regarding their audit of Truman Colleges' financial aid return to title IV procedures.

Monthly Micro City Purchases - The District's October 2007 monthly Micro-City purchases report includes both monthly and year-to-date information. The total October 2007 Micro City purchases were about \$363,000, up \$183,000 from last month's expenditures of \$180,000. The four month year-to-date totals were approximately \$1,044,000.

<u>EQUIPMENT</u>	<u>October 2007</u>	<u>Year to Date</u>
Computers	\$ 175,294	\$ 356,958.00
Printer	13,553	40,130.00
Software	30,181	261,366.00
Related Equipment	<u>143,895</u>	<u>385,342.00</u>
Total	\$ 362,923	\$1,043,796.00

FINANCE OFFICE OCTOBER 2007 BOARD AGENDA ITEMS

Resolutions, Agreements, Purchases and other information before the Board this month are as follows:

Section 1 – Resolutions:

The Finance Office has two (2) resolutions in the December 2007 Board folder before the board:

Resolution 1B – adopts revisions to the District's investment policy as presented at last month's meeting.

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Resolution 1D-- authorizes the routine transfer of approximately \$800,000 during the month of November 2007. This amount is well below the normal transfer volumes due to the conversion to the new version of PeopleSoft financial system.

Section 4 - Agreements

There are seventeen (17) agreements on today's agenda and one(1) walk on report:

- 4A - is an agreement with the **Learning Resources Network**, in the amount not to exceed \$88,000 to perform a market analysis, operations, and promotions project for City Colleges of Chicago beginning January 1, 2008 through June 30, 2008. (ACADEMIC AFFAIRS)
- 4B - is an agreement with **Relationship Strategies International, LLC** to perform various services for the District from December 6, 2007 through December 6, 2008, at a cost not to exceed \$90,000. (ACADEMIC AFFAIRS)
- 4C - continues with the agreement with **CPSI** for the ReCAPP, the web-based asset tracking system and authorizes the issuance of a purchase order in the amount not to exceed \$51,320. (ADMINISTRATIVE SERVICES)
- 4D - authorizes a contract with **System Development Integration, Inc.** pursuant to RFP No. SC0725 for the CCTV security cameras project commissioning services in an amount not to exceed \$120,000 which includes a 10% contingency. (ADMINISTRATIVE SERVICES)
- 4E - amends the existing Wright College parking structure repair contract with **GF Structures** due to another student car accident and approves the issuance of a purchase order in the amount of \$16,688 plus a 10% construction contingency bringing the total amount to \$18,356. (NOTE: The original contract was competitively bid.) (ADMINISTRATIVE SERVICES)
- 4F - extends the agreement with **United Armored Services** to provide armored car services for the seven City Colleges, Westside Technical, Dawson Technical and Washburne Culinary Institutes for the period December 9, 2007 to December 9, 2008 for service fees of \$12.00 per trip for on-route funds transportation, \$20.00 per unit for on-route additional pickup trips, and \$50.00 for additional pickups for trips not on route. (OFFICE OF FINANCE)
- 4G - an agreement with the **Chicago Transit Authority** (CTA) in an amount not to exceed \$150,000 beginning December 6, 2007 through June 30, 2008 pursuant to the grant funding and various programs needs for purchases of CTA regular fare transit cards. (District Wide)
- 4H - terminates the contract with **CoreSource, Inc.** for the Dental Plan for employees and retirees effective December 31, 2007, to authorize CoreSource, Inc. to adjudicate run-out claims incurred on or prior to December 31, 2007 for the period from January 1, 2008 through March 31, 2008, and to enter into a contract with **CompBenefits Insurance Company** for the period January 1, 2008 through December 31, 2010, at an annual cost not to exceed \$55,418. (HUMAN RESOURCES)
- 4I - an agreement with **Senryo Technologies, Inc.** to design and develop the new employee orientation on-line webpage in an amount not to exceed \$75,000.00 for period of one (1) year period beginning December 10, 2007 through December 9, 2008, and \$15,000 for extended hosting for up to one (1) additional year in accordance with RFP# IW0711 dated May 14, 2007 (HUMAN RESOURCES)

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- 4J - renews the contract with **BlueCross BlueShield of Illinois** for the Preferred Provider Organization (PPO) Medical Plan for the period January 1, 2008, through December 31, 2010, at an estimated annual cost not to exceed \$354,639. (HUMAN RESOURCES)
- 4K - a contract renewal with **BlueCross BlueShield of Illinois** for the HMO Medical Plan for the period January 1, 2008 through December 31, 2008 at an estimated cost not to exceed \$9,917,578. (HUMAN RESOURCES)
- 4L- an agreement with **Therm Flo Incorporated** to provide maintenance services for the Liebert air conditioning systems and one smaller auxiliary system in an amount not to exceed \$11,875 for the fiscal year from July 1, 2007 through June 30, 2008. (OFFICE OF INFORMATION TECHNOLOGY)
- 4M- an agreement with **Front Range Solutions** for software maintenance services for the period of January 1, 2008 through December 31, 2008 in an amount not to exceed \$19,695. (OFFICE OF INFORMATION TECHNOLOGY)
- 4N -an agreement with **Sentinel Technologies, Inc.** for on-site PC and related equipment maintenance for a period of January 1, 2008 through December 31, 2011 at a annual cost not to exceed \$150,000 in accordance with RFP #SC0730 dated October 16, 2007 with a total cost not to exceed \$ 525,000. (OFFICE OF INFORMATION TECHNOLOGY)
- 4O- the solicitation of hazardous chemical management and disposal proposals from a listing of pre-qualified joint venture collaborations and individual firm(s) as referenced in the Chicago Public School, Board Report # 07-0822-PR4 with a term commencing August 1, 2007 through July 31, 2009, to provide consultant services to the District. Upon review of the proposals, a joint venture will be identified to provide the services at a cost not to exceed \$100,000. (ADMINISTRATIVE SERVICES)
- 4P- to enter into a software license agreement with **Imaginit Technologies**, for the various campuses listed for the AutoCAD software at a total cost of \$38,980 for one-year period from December 31 2007 through December 30, 2008. (TRUMAN, DALEY, WRIGHT & HAROLD WASHINGTON COLLEGES)
- 4Q- a legal services agreement with **Franczek Sullivan P.C.** for the standard hourly rate of \$375 for James C. Franczek, Jr and \$290 for Brian McCarthy for legal services with estimated legal expenses of \$50,000. (GENERAL COUNSEL OFFICE)

WALK ON:

- 4R- an agreement with Daley College and the Electrical Joint Apprenticeship Training Trust beginning January 2, 2008.

Section 6 -- Purchases

- 6A - approves the issuance of purchase orders to five companies listed on the report for an amount not to exceed \$70,000 per main campus assigned and \$35,000 per auxiliary campus assigned effective November 6, 2007 through November 6, 2010 with an option to renew for two (2) additional years, in accordance with bid specification no. SC0732 dated October 12, 2007. (ALL COLLEGES)

Office of Finance (cont'd)

6B – ratifies payments made to the **Chicago Transit Authority** in an amount of \$139,984 for the purchase of regular transit cards not covered under the U-Pass agreement for Fiscal Year 2007 and Fiscal Year 2008. (District Wide)

6C- a purchase order to **Medical Education Technologies, Inc.**(METI™) for \$32,405 to purchase the simulator Nursing Curriculum Integration (nursing care scenarios). (TRUMAN COLLEGE)

6D- approves the issuance of a purchase order to **ACT Testing, Inc.** in the amount of \$17,500 for the cost of ACT Collegiate Assessment of Academic Proficiency (CAAP) assessment materials for Wright College. (WRIGHT COLLEGE)

6E- approves the increased spending with **Titan Worldwide** (space purchase); and other shifts in spending among approved vendors, to accommodate the discounted opportunity for increased transit exposure; with no financial impact on total advertising expenditures; and not to exceed the previously authorized spending of one half of total expenditures, \$1,103,050 between November 10, 2007 and June 30, 2008. (MARKETING AND PUBLIC RELATIONS)

Section 7- Informational Reports

7D. Monthly Utility, Postage and Other Expenditures Report for November 2007:

In accordance with the District's purchasing policies (appendix # 24 of the Board Rules) the following expenditures have been processed for the period of October 1, 2007 thru October 31, 2007:

CAMPUS/DEPT.	VENDOR	AMOUNT	DESCRIPTION
District-Wide	AT&T Inc.	\$292,924.63	Utilities
District-Wide	People Energy Services	\$167,050.25	Utilities
Harold Washington College	People Gas	\$31.12	Utilities
District-Wide	Constellation New Energy	\$91,585.08	Utilities
District Office	Dept. of Water	\$7,626.36	Utilities
Daley College	United States Postage	\$12,175.00	Postage
District Office Truman College Wright College	Pitney Bowes	\$2,477.53	Postage and Maintenance
Malcolm X College	Krueger International	\$2,845.80	Purchase of Furniture from Illinois Community College System Purchasing Consortium (ICCSPC)
District-Wide	Office Depot	\$42,247.09	Purchase of Office Supplies from Illinois Community College System Purchasing Consortium (ICCSPC)
District-Wide	Magnetic Office Products	\$18,673.24	Purchase of Office Supplies from Illinois Community College

			System Purchasing Consortium (ICCSPC)
Washburne Culinary Institute	Centennial Contractors Enterprises Inc.	\$40,369.00	Contracting Services from Illinois Community College System Purchasing Consortium (ICCSPC)
Daley College Kennedy King College Truman College	Grainger	\$4,628.95	Hardware Supplies from Illinois Community College System Purchasing Consortium (ICCSPC)
Daley College	Home Depot	\$1,197.91	Hardware Supplies from Illinois Community College System Purchasing Consortium (ICCSPC)
Malcolm X College	Midwest Office Interiors	\$18,443.49	Purchase of Furniture from Illinois Community College System Purchasing Consortium (ICCSPC)
Washburne Culinary Institute	Thyssenkrupp Elevator	\$505.88	Maintenance Service from Illinois Community College System Purchasing Consortium (ICCSPC)
Olive Harvey College Truman College Wright College	Praxair Distribution Inc.	\$291.06	Cylinder Rental Service from Illinois Community College System Purchasing Consortium (ICCSPC)
Harold Washington College Kennedy King College Malcolm X College Olive Harvey College Wright College	Jostens	\$1,395.59	Graduation Cap & Gown Purchase/Rental Services from Illinois Community College System Purchasing Consortium (ICCSPC)
Kennedy King College Truman College Wright College	CDW-G	\$5,556.70	Purchase of Computer Supplies from Illinois Community College System Purchasing Consortium (ICCSPC)
Malcolm X College Wright College	Unisource	\$5,058.40	Purchase of Paper from Illinois Community College System Purchasing Consortium (ICCSPC)
Truman College	Burgoon Company	\$31,380.36	Purchase of Scientific Equipment and Supplies from Illinois Community College System Purchasing Consortium (ICCSPC)
Truman College	Global Industrial	\$1,974.32	Purchase of 000000000000 Furniture from Illinois Community College System Purchasing Consortium (ICCSPC)
Olive Harvey College	Sexauer	\$79.20	Maintenance Service from Illinois Community College System Purchasing Consortium (ICCSPC)
Truman College	Xpdx Paper	\$421.52	Purchase of Paper from Illinois

			Community College System Purchasing Consortium (ICCSPC)
Harold Washington College Wright College	Fisher Scientific	\$7,802.17	Purchase of Scientific Equipment and Supplies from Illinois Community College System Purchasing Consortium (ICCSPC)
Wright College	Data Media Products	\$905.31	Purchase of Technology Supplies/Toner from Illinois Community College System Purchasing Consortium (ICCSPC)

Office of OIT Report:

OIT has three board reports for your approval this month:

Item 4L is an amendment to an existing agreement with Therm Flo, Inc. to provide maintenance on the air conditioning systems that cool the main computer room. The amendment adds the period January 1, 2008 through June 30, 2008 at an additional cost of \$5,935 which results in a total cost of \$11,875 for the fiscal year.

Item 4M is a software maintenance support agreement with Front Range Solutions for the period January 1, 2008 through December 31, 2008 at a cost not to exceed \$19,695.30. Front Range Solutions developed the HEAT call tracking system which we use to track and manage day-to-day service requests.

Item 4N is an on-site maintenance service agreement with Sentinel Technologies, Inc. for the period January 1, 2008 through December 31, 2011 at a cost not to exceed \$150,000 per year. The agreement covers on-site PC and related equipment maintenance. Before the recommendation for this agreement we prepared, publicly advertised and issued a detailed RFP for these services. RFPs were sent to 30 firms and a pre-conference was conducted on October 24, 2007. Six (6) firms responded to the RFP by October 31, 2007: Diebold Information & Security Systems, Advotek, Inc., Novanis, Sentinel Technologies, Inc., Signature Technology Group, Inc., and Smart Technology Services. Based on the evaluation criteria contained in the RFP, overall responsiveness, qualifications, past experience, pricing, and compliance with District M/WBE requirements, Sentinel Technologies was recommended for acceptance.

In the month of November the modification for generating transcripts from our PS system moved to production. As of Thursday, November 29, our Student Administration system end-users can perform all day-to-day operations by using the PeopleSoft system. While we are continuing to make modifications to our systems to enhance functionalities already available in PeopleSoft, there will be no new functionalities added before we begin upgrading our Student Administration systems to version 9.0. All that remains to completely retire SPAS is to complete the creation of reports that are regularly generated today using SPAS, and the conversion of data from mainframe tables to Oracle databases. The Finance system upgrade was also successfully moved to production this past month. We are continuing to provide post-production support for resolving minor issues related to the implementation.

In December, we are planning to use the assistance of Oracle consultants to update our "Roadmap to Fusion" – administrative applications 5 year technology plan. Since the original "Roadmap to Fusion," new technologies have become available and Oracle has made a new commitment to supporting the PeopleSoft suite of applications. The outcome of this project is an updated applications technology plan that will reflect our applications needs, our desire to move all applications to a common platform, and a plan to keep us in line with Oracle's upgrade schedule (for PS applications).

Office of Administrative Services Report:

Board Reports

Board Reports

4C Professional Services Agreement with Capital Planning Solutions, Inc for the annual maintenance and licensing agreement for the web-based ReCAPP System currently used by Administrative Services to manage and track all City College facilities as well as expand the system to include operations and maintenance job order tracking. Purchase should not exceed \$51, 320.

4D Video Security and Surveillance Commissioning for the District wide implementation of the Closed Circuit Television System

After a competitive solicitation through Procurement and with three responsive proposals, Administrative Services is recommending System Development Integration (SDI) for an amount not to exceed \$120,000. SDI will monitor the installation being done by Pace and will ensure that the product Received is according to spec. properly functioning and the security staff has been appropriately trained to effectively utilize the system. M/WBE compliance has been met.

4E Repairs to the Wright College Parking Facility

The Board previously awarded a contract to GF Structures based on a competitive bid to repair the damage to the parking structure due to vehicular accidents. While onsite, additional damage occurred that needed immediate repair. GF Structures is able to repair the damage and mitigate any safety issues posed to out students and faculty for an amount not to exceed \$18,356. M/WBE compliance has been met.

4O Hazardous Chemical Management and Disposal

The District needs to identify in all facilities hazardous and outdated chemicals and materials that pose a potential hazard or need to be lawfully and safely disposed. Chicago Public Schools conducted a competitive solicitation to identify firms competent in this field. Administrative Services recommends utilizing these same firms to work with our campuses to conduct the inventory, disposal as well as address any hazardous situations that can arise in the classrooms. At this time, costs are not expected to exceed \$50,000 annually for the next two years. M/WBE compliance has been met.

6A Snow Removal for all District Facilities

Competitively bid for all Colleges and facilities to be used when required. Dollar amounts are based on previous annual expenditures.

Working with the Office of Contract Compliance, Procurement and Information Technology, we have been able to capture subcontracting dollars awarded to minority and women owned businesses for the first time in addition to reporting on just the awards to prime contractors. For the 1st quarter of 2008, Minority Business awards equal 66% of the dollars spent by the District and 6.8% went to Women owned Businesses, compared to 51% and .5% respectively in the first quarter of last year. In the future, all reports to the board will include subcontracting dollars.