

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

ATM SERVICES PROPOSAL
OFFICE OF FINANCE
ALL COLLEGES AND DISTRICT OFFICE

(Amend Board Reports #27528 dated August 3, 2006, #26874 dated August4, 2005 and #22658 June 7, 2001)

THE CHANCELLOR

REPORTS that Board Resolution 27528 dated August 3, 2006 authorized the Chairman to exercise the option to extend the agreement with LaSalle Bank National Association, Chicago, IL to provide ATM services for all colleges and the District Office for the period of July 1, 2006 through June 30, 2008; and that Board Resolution 26874 dated August 4, 2005 authorized the Chairman to extend the agreement for the period July 1, 2005 to June 30, 2006; and Board Resolution 22658 dated June 2001 which authorized the issuance of a contract to LaSalle Bank for the period July 1, 2001 through June 30, 2005. Revenue would be generated through monthly rental payments and revenue sharing to City Colleges by the selected bank; and

that the option to exercise the two year extension of the agreement was recommended by staff based on informal bank inquiries of other financial providers to match LaSalle's revenue sharing structure. The result of the inquiry revealed that banks could not match LaSalle's revenue sharing and would instead collect monthly lease fees from City Colleges for use of the ATMs; and

that a recent relationship review by LaSalle, revealed that the current revenue structure with City Colleges has resulted in a loss to the Bank. The projected target of 2,000 transactions per location to generate monthly rental payments of \$500 has not been met; and

that LaSalle Bank requests to amend the existing Board Report 27528 to support the revenue structure based on the number of average monthly transactions; and

that the proposed monthly rental payments to City Colleges would continue as follows:

<u>Location</u>	<u>Average Monthly Transactions</u>	<u>Rental Payments</u>
Harold Washington College	1,300	\$300
Truman College	1,100	\$300
District Office	1,050	\$300

Kennedy-King College	800	\$200
Wright College	800	\$200
Malcolm X College	800	\$200
Olive Harvey College	700	\$200
Daley College	500	\$100

that request for ATM Services will be included in the Request for Proposal for Banking Services issued by the Treasurer's Office in September 2007.

that the Office of M/WBE Contract Compliance has reviewed the above referenced ATM service agreement with LaSalle Bank, and has determined that since LaSalle Bank has partnered with Seaway National Bank, it continues to be in compliance with the Board approved Participation Plan.

THE CHANCELLOR

RECOMMENDS

that the Board of Trustees authorize the Chairman to approve the amendment of the service agreement with LaSalle Bank National Association, Chicago, IL to provide ATM services for total annual rental payments in an amount of \$21,600 for all Colleges and the District Office for the period of September 1, 2007 to June 30, 2008.

FINANCIAL

\$21,600- Total Annual Rental payments would be directly deposited into each location's depository account at LaSalle Bank.

Harold Washington College	\$3,600
Truman College	\$3,600
District Office	\$3,600
Kennedy-King College	\$2,400
Wright College	\$2,400
Malcolm X College	\$2,400
Olive Harvey College	\$2,400
Daley College	\$1,200

Respectfully submitted:

Wayne D. Watson
Chancellor