

**SUMMARIZATION OF THE APRIL 03, 2008
 FINANCE OFFICE, ADMINISTRATIVE SERVICES, AND OFFICE OF INFORMATION
 TECHNOLOGY COMMITTEE MINUTES**

2.1.1 TREASURY UPDATE

Monthly cash flow report: The District's Treasurer prepared the FY 2008 Monthly Cash Flow Report with actual results through February 2008 for today's meeting. This report covers the District's operating cash and investment fund receipts, disbursements, and balances. Total projected receipts were revised downward by about \$500,000 due to declining interest rates. Salary expenses were up \$2.1 million offset by a \$2.1 million reduction in College work study costs.

Total cash balances at the end of February 2008 were \$137.6 million, down \$11.0 million from January's \$148.6 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 \$234.5 million, down \$10.8 million from last month's total.

Table 1. District Operating Funds as of February 2008 (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 Balance</u> |
|------------------------|--------------------------|----------------|-----------------|-----------------------|--------------------|
| Cash | \$ 9.8 | \$ 20.8 | \$ 31.7 | \$23.4 | \$ 22.3 |
| PFM-Short Term | 44.6 | 10.0 | 10.0 | 0.0 | 44.6 |
| State Treasurer | 94.2 | 3.0 | 26.5 | 0.0 | 70.7 |
| Subtotal Cash | \$148.6 | \$ 33.8 | \$ 68.2 | \$23.4 | \$137.6 |
| PFM-Working Cap | 56.2 | 4.8 | 4.7 | -0- | 56.3 |
| Seaway-Capital | 0.9 | .0 | -0- | -0- | .9 |
| PFM-OPEB Resrv | 9.6 | 13.5 | 13.5 | 0.1 | 9.7 |
| PFM-Truman Proj | 30.0 | 0.0 | 0.0 | 0.0 | 30.0 |
| Total Operating | \$245.3 | \$ 52.1 | \$ 86.4 | \$23.5 | \$234.5 |

Also reported is the Public Financial Management, Inc (PFM) commentary as of the end of March 2008 detailing portfolio performance trend.

2.1.2 BUDGET/FINANCE UPDATE

Budget Update – Preparation of the FY 2009 Budget process is underway. Current year financial projection show this is going to be a very tight year. As discussed in last month's presentation on student tuition and fees, FY 2009 has a projected deficit of about \$8 million. The Budget Office will be looking for operating efficiencies and cost reductions to close the gap. A tuition increase for next year may need to be considered.

We will report back at the May 2008 Board meeting. The Budget Office also would like to report that in March 2008, they:

- Attended the PeopleSoft Higher Education user group conference to study Human Resource and budget module features;
- Completed first draft of the District's state and local revenue estimates for FY 2009;
- Prepared salary estimates for all full-time employees for FY2009 budget;
- Participated in PeopleSoft HR committee meetings to request adding the "reports to" information to the PeopleSoft HR system;
- Reviewed PeopleSoft Financial System Phase 2 and Oracle's Roadmap to fusion documentation; and
- Reviewed and responded to all new requests for positions (RFP

Capital Projects – The Finance Office made a \$10 million payment on the final invoice of \$13.5 million for the new Kennedy-King College, leaving \$3.5 million. Pursued commitments from the City of Chicago to obtain \$13.5 million in Englewood TIF proceeds to make up for the loss of State funds.

Commission to Strengthen Chicago's Pensions. The District's Chief Financial Officer was asked to serve on the Mayor's Commission to Strengthen Chicago's Pensions. The Commission plans to meet monthly for the next eighteen months. At the first meeting, an introduction to pension funding was covered.

Student Financial Assistance – During March 2008, Student Financial Assistance staff issued the second half of the Pell Grant student financial aid totaling \$11 million to approximately 16,000 students. Student refunds were issued to about 13,000 students totaling \$9.5 million. Student Financial staff completed the annual IPED survey. They posted the Illinois Veterans Grant mandated State waivers of \$400,000 to approximately 600 students.

PeopleSoft Financial System Upgrade - The Finance Office again worked closely with OIT and the users to correct problems with upgrade to PeopleSoft 8.9. The Finance System version 8.9 put was placed in production on November 19th. Last month, the Finance Office reported that the colleges are having difficulty timely generating payments to vendors due to learning new system features and software errors. This month I would like to report on the following:

I. Major changes made from version 7.5 to version 8.9

- Vendor Budget Limit – this feature stops procurement of goods and services without proper approval when the total amount spent is over \$10,000, or the Board authorized amount.
- Three-way matching for services now requires a PO, Invoice and receipt of service to complete transaction

This feature will facilitate better management of service engagements ensuring that completion of services are confirmed by user thru the PO receiving process and for more accurate accrual process at year-end.

- Creation of additional budget ledgers for capital, regular grants and project grants (All Budget Period) – this will allow for an easier monitoring of the different classes of funding and spending. All budget period enables grants and capital purchase orders to stay open for receiving, vouchering and payment until the end of the grants and capital projects.
- Implementation of the use of commodity codes – Enhances tracking of items procured and its direct mapping to the appropriate general ledger account codes
- Standard Reports download capability into pdf/excel format for easy data analysis

II. Major Issues Resolved

- Budgets were not properly adjusted when Purchase Orders were cancelled and/or vouchers are finalized. The Manufacturers Patches (MP5) was applied to correct the issues for future POs. Those that were created prior to the application of the patches are being handled manually.
- Inability to make PO change order. This was resolved by the MP5 application
- Very slow system performance. This was improved somewhat by fine tuning the codes of the different processes for better performance.

III. Actions Taken

- Intensive system training and support during and after implementation using classroom, User Productivity Kit (UPK) interactive training tool, and training with live college transaction issues.
- Continued daily monitoring for any new issues and status of outstanding items by both the Finance and the OIT team.
- Regular communication with the colleges and district office users including dissemination of related queries and reports.
- Workshop for new college technical super users will be conducted
- Develop a testing environment for testing of all implemented functionalities in FY 2008 in preparation of Fiscal Year 2009
- Working to enhance and improve training materials and guide for end users
- Opened cases with the PeopleSoft developers for unresolved issues-tuning of the performance of the budget checking process and disabling of the conversion ledgers which causing additional load on the system.

II. Current Issues

- Converted purchase orders and some new POs were not completed through the receiving, vouchering and payment process. These POs were canceled and respective budgets were appropriately returned back. The users have to determine which of these POs should be re-issued for payments. This is causing

Office of Finance Report (continued)

the delay in the payments of old Pos and also causing back log in the current transactions.

- Clean-up of voucher match exception reports to pay old invoices
- Posting and budget check processing for P-Card transactions are different in version 8.9, thus, CCC business processes has to be re-aligned and users has to be trained on this new procedures
- Additional training of all users is necessary
- Resolutions of issues are on a case by case basis and will continue thru the end of the fiscal year.
- System sizing issue to improve the overall system performance
- Users experience difficulty in running queries
- Lack of reports

AUDIT STATUS

- The FY 2007 Federal single audit is completed and filed before the March 31, 2008 due date with US DOE and the Federal Audit Clearinghouse.
- Other Audits--Finalizing federal head start audit preparation; and
- The quarterly Executive Audit Committee has been set for May 6 2008.

- ICCB will be conducting their once every five year Recognition Review of the District from April 21st to 29th. The District completed a self audit last fall and is preparing the necessary documents ICCB requested for their visit.

Controller Office activities include:

- Financial Reporting—Completed the FY 2006 expenditures financial report for the District's Federal Title III grant application. Completed the annual Higher Learning Commission district wide financial ratios calculations for the colleges. Working on completing the annual IPEDS data submission. Completing the third monthly interim final report as of February 2008;
- Month End Close—Working with OIT on necessary reports to assist with month end close. Completed AP aging report. Completed AP Vendor Inquiry Crystal Report. Working on February month-end close.
- Year End Close—Monitoring payroll suspense, enterprise fund and grant spending. Working with program staff to prepare for grant close outs. Completing year end close timelines. Planning for 2008 audit period.
- Bank account change—working with the Finance Directors and OIT to prepare for July 2008 new accounts.

Procurement and Business Services - has successfully completed the following activities in the month of March 2008:

- Received Board approval for eight (8) agenda items at the March 2008 Board meeting and twenty five (25) agenda items for the April 2008 Board meeting;
- Last three months data on purchase orders processed for transactions over \$5,000 with monthly expenditure data:

| <u>Month</u> | <u>No. Purchase Orders</u> | <u>Expenditures</u> |
|--------------|----------------------------|---------------------|
| Jan 08 | 62 | \$3.3 million |
| Feb 08 | 43 | \$1.7 million |
| March | 89 | \$8.5 million |

- The April 2008 bid schedule includes the following six (6) items:

| Dept/Campus | Contract | Status |
|---------------------------|--|--------------------------------|
| WYCC | Design and Print WYC Member Magazine | Ad 3/31-Bids due 4/21 /2008 |
| Administrative Services | Canine Security for Old KK College | Ad 4/7/2007-Bids due 4/29/2008 |
| District Wide | Bus Transportation Services- District Wide | Ad 4/2-RFP due 4/21/ 2008 |
| Harold Washington College | Scanning Services | Ad 4/4-RFP due 4/30/2008 |
| District Wide | Printing of College Course Schedules | Ad 4/3 Bids due 4/22/2008 |
| Malcolm X College | Supply and Deliver an Early Alert System | Ad 4/7 Bids due 4/30/2008 |

As of March 2008, the Accounts Payable team has processed the following number of vouchers for vendor payments:

| <u>Month</u> | <u>No. Vouchers</u> |
|---------------|---------------------|
| January 2008 | 3,202 |
| February 2008 | 3,555 |
| March 2008 | 3,609 |

Micro City Purchases - The District's February 2008 monthly Micro-City purchases report includes both monthly and year-to-date information. The total February 2008 Micro City purchases were about \$266,000, up \$62,000 last month's expenditures of \$204,000. The eight month year-to-date totals were approximately \$2,526,000.

Office of Finance Report (continued)

| <u>EQUIPMENT</u> | <u>February 2008</u> | <u>Year to Date</u> |
|-------------------|----------------------|---------------------|
| Computers | \$ 150,104 | \$ 671,072 |
| Printers | 8,910 | 63,972 |
| Software | 11,328 | 323,790 |
| Related Equipment | <u>95,243</u> | <u>1,466,863</u> |
| Total | \$ 265,585 | \$2,525,697 |

2.1.3 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 resolutions in the March 2008 Board folder before the board:

Resolution 1A– authorizes the routine transfer of approximately \$4.9 million during the month of March 2008. Many of the transfers were (1) between supplies and contractual services; (2) salary transfers between departments; (3) to realign student retention funding within colleges; (4) to realign spending in several enterprise funds; (5) to move funding from Business Process Design Group to support Master Faculty Development; and (6) to support CPS high school student marketing efforts.

Resolution 1B – amends Authorized Signatures for Depositories of Board Funds to add Interim Vice Chancellor for Academic Affairs Angela Starks and MXC President Ghingo Brooks and remove the names of recently retired Deidra Lewis and Zerrie Campbell to the various District accounts as listed in Appendix 29 of Article V, Section 5.4.4 of the Board rules.

Resolution 1C – amends the Board's Operations Manual concerning rental of district property to publish a rate schedule for the six incubator kitchens at KKC. The rates will be studied to insure that the District at least breaks even on the program.

Section 4 - Agreements

There are seven () agreements on today's agenda:

4A – authorizes an increase of \$7,390 each for **Susan R. Hatfield** and **Susan A. Murphy**, and \$5,000 for **Gregory Light** for their services for March 14, 2008 through July 30, 2008 in the additional amount of \$19,780 for all three consultants. (ACADEMIC AFFAIRS)

Office of Finance Report (continued)

4B - a curtailment agreement with **Commonwealth Edison** for a guaranteed payment \$183,825 if the curtailment commitment of 30% is achieved from the period of June 1, 2008 through May 31, 2009. (ADMINISTRATIVE SERVICES)

4C –an agreement with **Chicago Commercial Contractor, LLC**, Huntley, IL to provide acoustical ceiling replacement for the science building dining area at Wright College in an amount not to exceed \$122,594 in accordance with the specifications of sealed bid number IW0802 dated January 25, 2008. (ADMINISTRATIVE SERVICES)

4D –an agreement with **Chicago Commercial Contractor, LLC**, Huntley, IL for a total lowest bid price of \$11,035,893 plus \$1,103,589 (10% construction contingency), for a total not to exceed amount of \$12,139,482, for site upgrades of eight campuses, which includes Daley College, Olive Harvey College, North Division (Wright College, Humboldt Park Vocational Education Center and West Side Learning Center) and South Division (Dawson Technical Institute, South Chicago Learning Center, and West Side Technical Institute) for 14 exterior construction season months in accordance with the specifications of sealed bid number IW0801 dated January 25, 2008. (ADMINISTRATIVE SERVICES)

4E –an agreement with **Cognos Corporation** for software licenses, maintenance and professional services at a cost not to exceed \$ 89,251 for the period of March 31, 2008 through March 30, 2009. (OFFICE OF INFORMATION TECHNOLOGY)

4F –an agreement and approval of the issuance of a purchase order to **Dallas Telecourses** for the lease of the telecourses which include licensing fees of \$3,000 plus an estimated enrollment fee totaling \$17,138 for the period, beginning September 1, 2007 through August 31, 2008. (KENNEDY-KING)

4G - amendment of the agreement with **A Plus Media, Inc.**, for production and mailing of the WYCC-TV20 Program Guide in an amount not-to-exceed \$13,020 for the period of April 1, 2008 through June 30, 2008. (KENNEDY-KING)

Section 6 – Purchases

There are seventeen (17) purchase reports for today's meeting:

6A - approves the additional funds in amount of \$50,000 for the issuance of purchase orders on as needed basis to the **Center for Applied Linguistics** identified above for the purchase of the required testing materials through June 30, 2008. (ACADEMIC AFFAIRS)

Office of Finance Report (continued)

6B - approves the addition of the **Oxford University Press** and **Goodheart-Wilcox Publishers** to authorized list of health occupation, technical trade, various publication material and cosmetology book vendors through June 30, 2009 and increase authorized purchase amount by \$65,000 on an as needed basis. (ACADEMIC AFFAIRS)

6C - approves the participation in the **Salzburg Faculty Seminar**, **Salzburg Undergraduate Seminar**, and **Salamanca Program**. Also approves the issuance of purchase orders for the travel and lodging expenditures for the participants of the **Salzburg Undergraduate Seminar** beginning May 29, 2008 through June 8, 2008 in an amount not to exceed \$40,125, for the participants of the **Salzburg Faculty Seminar** beginning June 29, 2008 through July 9, 2008 in an amount not to exceed \$42,000, and for the participants of the **Salamanca Program** beginning June 30, 2008 through July 31, 2008 in an amount not to exceed \$54,500. Finally, approves the issuance of purchase orders for contingencies in an amount not to exceed \$8,500. (ACADEMIC AFFAIRS)

6D - approves the issuance of a purchase order to the **National Association of College Business Officers (NACUBO)** for the 2008 annual meeting to be held in Chicago on July 12-15, 2008 and a cost not to exceed \$13,680. (DISTRICT WIDE)

6E - approves the issuance of purchase orders to the **Higher Learning Commission** in the total amount of \$43,575 for the District's participation in the North Central Association – Commission on Accreditation and School Improvement's 114th Annual Conference- to be held in Chicago on April 11-15, 2008. (DISTRICT WIDE)

6F – authorizes the issuance of purchase orders to **ACT, Inc.** in the amount not to exceed \$100,000 for the cost of the assessment materials District Wide as deemed required by each College. (DISTRICT WIDE)

6G - approves the ratification of payment to **Olson Transportation** in the amount of \$16,189 and adds \$120,000 to cover transportation services for all colleges as well as to transport students at Truman College on an emergency basis to prevent the disruption of programs and services at Truman College through the Summer semester until a new Request For Proposal has been Completed. (ADMINISTRATIVE SERVICES)

Office of Finance Report (continued)

6H - approves the issuance of a purchase order to the **American Association of Community Colleges'** (AACC) 88th annual convention for 2008 to be held in Philadelphia, PA on April 5-8, 2008 at a cost not to exceed \$11,172. (DISTRICT WIDE)

6I - approves the issuance of purchase orders on as needed basis with the vendors listed for the totals listed per vendor with a total cost not to exceed \$330,000 through June 30, 2008 (DISTRICT WIDE)

6J - approves the issuance of purchase orders to the **Chicago Sun-Times** to support annual recruiting for Harold Washington College Career Programs in the amount of \$18,000 and approves the issuance of purchase orders to **Crown and Shield Company** in the amount of \$15,000 for advertising in the Village Publication for Wright College bring the total not to exceed to \$157,000 through June 30, 2008. (HAROLD WASHINGTON AND WRIGHT COLLEGES)

6K – approves the payment ratification to various vendors for goods and/or services procured in which payment amount has exceeded the \$10,000 limit in the total amount of \$263,219.12 (DISTRICT WIDE)

- Not a new issue: Past board reports for ratifications were submitted and approved due to earlier financial system issues such as: no commodity codes, no board report check feature; no business work flow procedures, no system controls in place to stop issuance of purchase orders to vendors for spending \$10,000 or higher.
- Actions to date: Conducted a comprehensive review and update of Board procurement policies. Issued multiple District wide RFPs for annual commodity & services contracts such as computers, textbooks, architects and catering. Joined statewide community college purchasing consortium. Promoted increase use of State and City government contracts. More aggressive manual review of all transactions over \$2,000. Conducted site training. Formalized Board Report routing procedures. Documented business process. Implemented new 8.9 version of PeopleSoft featuring vendor budget limit.
- Ratifying 29 vendors' transactions over \$10,000, totaling \$263,000: 17 vendors went over limit due to a lot of small transactions made by multiple users that then exceeded \$10,000. , 12 vendors went over the limit due to board procedures not being followed.
- New areas identified: Procurement card transactions and college sub-contractor training agreements
- Internal Audit Reviewed transactions and will report out at May 2008 Executive Audit Committee

Office of Finance Report (continued)

6L – seeks board approval to continue receiving goods and/or services from several vendors listed in the report in which the payment amount will be in excess of the \$10,000 limit for a total amount of \$200,000 through June 30, 2008. (VARIOUS CAMPUSES)

6M - approves the ratification of \$17,732 in spending with the **Chicago Sun-Times** and \$10,310 with **WGCI-FM** as well as other shifts in spending among approved communication vendors, with no financial impact on previously authorized FY 2008 advertising budgeted expenditures \$2.2 million. (MARKETING AND PUBLIC RELATIONS)

6N – authorizes the issuance of a purchase order to the **National Institute of Developmental Education (NADE) Kellogg Institute-Appalachian State University** for the District's participation in the NADE Kellogg Institute to be held at Appalachian State University, Boone North Carolina from June 28 to July 25 in the total amount of \$25,207. (DISTRICT WIDE)

6O - approves the issuance of a purchase order to **Turner & Associates** in the amount of \$9,990 for the purchase of these Street Guides which is a valuable part of the navigation training for Taxi and Limousine students. (HAROLD WASHINGTON COLLEGE)

6P – approves the issuance a purchase order to **Michael Roberts Enterprises, Inc.** (dba Chicago Northside Toyota) for the total amount not to exceed \$26,000 for the purchase of a 2008 Toyota Prius' vehicle. (TRUMAN COLLEGE)

6Q - approves the issuance of a purchase order to **Applied Ergonomics** in the amount of \$20,733 to purchase 144 replacement lockers for Wright College's pool locker room, in accordance with the public bid specifications number MWJ0802 dated January 25, 2008. (TRUMAN COLLEGE)

Section 7- Informational Reports

7C – covers the prior month clinical and training agreements. The list also include the agreements with subcontractors to provide training services to clients of the Business and Industries division. These reporting procedures need to be reviewed due to subcontractor agreements potentially exceeding \$10,000 without formal Board review and approval and to ensure compliance with the state statutes. The General Counsel will convene a committee to review and recommend changes for the May 2008 Board meeting.

Office of Finance Report (continued)

7D. Monthly Utility, Postage and Other Expenditures Report for January 2008:

In accordance with the District's purchasing policies (appendix # 24 of the Board Rules) the following expenditures have been processed for the period of February 1, 2008 thru February 29, 2008:

| CAMPUS/DEPT. | VENDOR | AMOUNT | DESCRIPTION |
|---|---|---------------|---|
| District-Wide | AT&T Inc. | \$242,664.58 | Utilities- Telecommunication |
| District-Wide | Qwest Communication | \$2,596.77 | Utilities-Long Distance Service |
| Harold Washington College | People Energy | \$12,627.67 | Utilities-Com Ed |
| Harold Washington College | Chicago Loop Alliance | \$2,250.00 | Membership Dues |
| Malcolm X College | Higher Learning Commission | \$28,648.00 | Membership Dues |
| Kennedy- King College | AACC – American Association of Community Colleges | \$1,500 | Membership Dues |
| Kennedy King College Harold Washington College District Office | United States Postage | \$35,075.00 | Postage |
| District Office Truman College Olive Harvey College | Pitney Bowes | \$281.73 | Postage and Maintenance |
| District-Wide | Office Depot | \$38,425.54 | Purchase of Office Supplies from Illinois Community College System Purchasing Consortium (ICCSPC) |
| Kennedy King College Harold Washington College Olive Harvey College Wright College | Magnetic Office Product | \$11,654.57 | Purchase of Office Supplies from Illinois Community College System Purchasing Consortium (ICCSPC) |
| Kennedy King College | Corporate Express | \$695.00 | Purchase of Office Supplies from Illinois Community College System Purchasing Consortium (ICCSPC) |
| District Office Malcolm X College | Centennial Contractors Enterprises Inc. | \$198,123.02 | Contracting Services from Illinois Community College System Purchasing Consortium (ICCSPC) |
| Kennedy- King College Harold Washington College Truman College | Grainger | \$1,589.56 | Hardware Supplies from Illinois Community College System Purchasing Consortium (ICCSPC) |
| Wright College | Krueger International Furniture | \$3,195.79 | Furniture from Illinois Community College System Purchasing Consortium (ICCSPC) |
| District Office | Workflow One | \$4,683.76 | Purchase of Furniture from Illinois Community College System Purchasing Consortium (ICCSPC) |
| Wright College | VWR Scientific | \$261.96 | Purchase of Scientific Equipment and Supplies from Illinois Community College System Purchasing Consortium (ICCSPC) |

| | | | |
|--|---|-------------|---|
| Malcolm X College Olive-Harvey College Wright College | Jostens | \$108.72 | Graduation Cap & Gown Purchase/Rental Services from Illinois Community College System Purchasing Consortium (ICCSPC) |
| Daley College | Home Depot supply | \$1,026.74 | Hardware Supplies from Illinois Community College System Purchasing Consortium (ICCSPC) |
| District Office Daley College Malcolm X College | Sprint | \$317.37 | Telecommunication Services from Illinois Community College System Purchasing Consortium (ICCSPC) |
| Wright College | Unisource Paper Co. | \$6,437.50 | Paper from Illinois Community College System Purchasing Consortium (ICCSPC) |
| Truman College | Burgoon Company | \$9,660.75 | Purchase of Scientific Equipment and Supplies from Illinois Community College System Purchasing Consortium (ICCSPC) |
| District Office Kennedy-King College Truman College | CDW-G | \$1,664.41 | Purchase of Computer Supplies from Illinois Community College System Purchasing Consortium (ICCSPC) |
| Wright College | Haworth Inc. | \$248.64 | Purchase of Furniture from Illinois Community College System Purchasing Consortium (ICCSPC) |
| Washburn Culinary Institute | ThyssenKrupp | \$505.88 | Maintenance Service from Illinois Community College System Purchasing Consortium (ICCSPC) |
| Harold Washington College Malcolm X College Kennedy-King College Olive Harvey College Wright College | Fisher Scientific | \$18,709.50 | Purchase of Scientific Equipment and Supplies from Illinois Community College System Purchasing Consortium (ICCSPC) |
| District Office | Illinois Student Assistance Commission | \$9,809.52 | |

Vice Chancellor John Dozier reported the following to the board:

Office of OIT Report:

Board Reports:

Item 4E is an agreement with Cognos Corporation for software maintenance services that support data warehousing and reporting from our PeopleSoft applications. The term of the agreement is for the period March 31, 2008 through March 30, 2009 at a cost not to exceed \$89,251.39.

Office of OIT Report (cont'd)

Enclosed in your IT folders this month is an executive summary of the "Roadmap to Fusion" IT planning exercise that we underwent with Oracle Corporation earlier this year. Our original roadmap was created 2 years ago. Since then, Oracle has released its Applications Unlimited Program whereby they have committed to the continued development of functionality and releases beyond PeopleSoft version 9.0. Simply put, Fusion technology will not be available to the marketplace in the time that Oracle planned when they assisted us with the original "Roadmap to Fusion" and they have committed to continued development of the PeopleSoft suite of applications. Therefore, we have re-evaluated our roadmap to ensure that we are bringing the technologies to bear that are relevant to our user communities, and take advantage of the technology advances that Oracle is building into its current and future versions of PeopleSoft applications leading to Fusion. You will find in the summary recommendations for each of our administrative applications (Finance, Human Resources, and Campus Solutions – formerly Student Administration) and recommendations for general reporting, data warehousing, and middleware technologies. OIT is continuing to work with our user communities to validate the timelines that Oracle has recommended against what we have the budgetary and human capacity to perform.

Regarding Applications Projects:

PeopleSoft Finance – We are continuing to work with end-users to resolve Purchase Orders in the Finance system. We are also enhancing training documentation and providing training to end-users – training for super users is taking place today. There is a new business process for P-Cards. The Finance Department is currently documenting and preparing to train end-users on the new process. Until the end of the fiscal year, we will be reviewing the system's configuration, applying needed patches and otherwise preparing the system for the new fiscal year. We've also begun the Phase 2 of the finance upgrade which will include the implementation of Grants Management, improving the functionality and processes within the Asset Management module, developing additional reporting, improving the Finance system integration with the PS Human Resource and PS Campus Solutions systems, and automating billing and receivables processes. Phase 2 is expected to be complete by November 21, 2008.

PeopleSoft HR – The HR upgrade to version 9.0 is running on time and within budget. This month will be devoted to testing next month we will be running our systems in parallel.

Data Migration and Reporting – After formalizing changes to the data migration portion of this project (converting or re-hosting 6000 files versus the originally scoped 300 files), the project team is meeting project milestones. We are on target for retiring SPAS by June 30.

Associate Vice Chancellor Diane Minor reported the following to the board:

Office of Administrative Services Report:

Board Reports

4B Electric Curtailment Agreement, District wide

In an effort to reduce energy usage in the City while reducing the cost of electricity, Commonwealth Edison has extended to the City Colleges a financial incentive, beginning June 1, 2008 and in effect for 12 months, where the colleges reduce electrical use by 30% when asked by ComEd, guaranteeing to the District an annual payment of \$183,825. Voluntary reductions in energy use have easily met the 30% reduction.

4C Acoustical Ceiling Tile Replacement for Wright College Dining Area

Publicly advertised specifications through Procurement Services resulted in three bids coming in. The lowest responsive, responsible bidder, Chicago Commercial Contractors, LLC was chosen for an amount not to exceed \$122,594. MBE/WBE compliance was met with certified subcontractors.

4D Site Upgrades for Eight Campuses

Recognizing the need for the rebuilding and repaving of the District's parking lots and sidewalks, Administrative Services worked with an outside engineering firm previously approved by the Board to prepare specifications for competitive bid, allowing for individual bid packages for Daley and Olive-Harvey and combining into the North Division Wright, Humboldt Park, and West Side Learning Centers and Dawson and West Side Technical Institutes and South Chicago Learning Center. Procurement Services publicly advertised the bids, receiving six responses. One bidder, Chicago Commercial Contractors, LLC, was the lowest responsive, responsible bidder for all of the packages, with a recommended award of \$11,035,893. M/WBE compliance has been met.

Project Updates

New Kennedy-King Campus

Punch list items have come down from 3,900 to a total of three (3) as of April 2, 2008. The District is still holding \$4 million towards the final payment and will release it pending final acceptance of the campus in June, 2008. Day Care bathrooms are scheduled for final walk-thru the week of April 7th.

Office of Administrative Services Report (Cont'd.):

Old Kennedy-King Campus

Final determination has not been rendered on adaptive re-use of the previously occupied Kennedy-King facility by the City of Chicago. In meetings with the City's Department of Planning and Development, the engineer's study on the condition of the building has been submitted. Upon review of the report and consultation with other City agencies, a decision will be reached shortly. The District will be expected to maintain the facility in a safe and sound manner.

Truman Student Services and Parking Facility, (Proposed structure of 1,138 parking spaces and 75,000square feet for student services) City Colleges hosted the second public hearing for community input on March 24th with close to 70 people in attendance. Issues were mostly surrounding the use of TIF funds, security and community access to parking. Meetings regarding the application for the zoning change (PUD) are continuing, with an anticipated May presentation to the Plan Commission.

Administrative Services is working with the Illinois Community College System Purchasing Council's (ICCSPC) JOC contractor, Centennial, to complete additional classroom build-outs to complement the College's curricula. Truman College has completed the upgrades to its' Biology, Chemistry and Nursing labs. Harold Washington and Kennedy-King are in the process of having their labs renovated as well as Music class rooms and a conference center in Building U of Kennedy-King. Washburne Culinary is also having the build-outs of the restaurant and bakery shop completed.

Meeting adjourned at 10:40 am