

28886
APPROVED - BOARD OF TRUSTEES
COMMUNITY COLLEGE DISTRICT NO. 508
AUGUST 7, 2008

**BOARD COMMITTEE ON FINANCE OFFICE, ADMINISTRATIVE SERVICES, AND OFFICE OF
INFORMATION TECHNOLOGY COMMITTEE MINUTES**

Wednesday, July 16, 2008

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Nancy Clawson
Terry Newman
Rev. Albert Tyson III
Shamil Clay *

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GENERAL COUNSEL

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Eugene Nichols, Jr.
Shawn Koestering
Jane Barnes
Alison Guengerich

The meeting was convened in room 300 of the Board's district offices, 226 W Jackson Blvd., Chicago, IL.

1. **Minutes** of March 6, 2008 meeting of the Board Committee on Finance and Administrative Services were approved as submitted.

2. **Staff Reports:**

Committee Chair Nancy Clawson called the Board Committee meeting on Finance to order at 9:40a.m. and asked Vice Chancellor Kenneth C. Gotsch to present the report. Vice Chancellor Gotsch reported to the board the following:

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 May 2008 for today's meeting. This report covers the District's operating cash and investment fund receipts, disbursements, and balances. Total projected receipts declined by about \$0.6 million due to a \$3.4 million decrease in federal financial aid draw, offset by a \$1.8 million increase in tuition and fee revenue, a \$0.8 million increase in forecasted state revenues, and \$0.3 million in property tax collections. Cash out flow was above forecast by \$5.5 million due an increase of \$4.5 million in construction related payments and about \$1.3 million increase in net payroll payments.

Total cash balances at the end of May 2008 were \$148.1 million, down \$16.7 million from April's \$164.8 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 \$246.5 million.

Table 1. District Operating Funds as of May 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	\$ 10.5	\$ 11.8	\$ 28.5	\$14.2	\$ 8.0
PFM-Short Term	45.2	46.0	30.9	0.0	60.3
State Treasurer	<u>109.1</u>	<u>9.7</u>	<u>39.0</u>	<u>0.0</u>	<u>79.8</u>
Subtotal Cash	\$164.8	\$ 67.5	\$ 98.4	\$14.2	\$148.1
PFM-Working Cap	57.3	0.9	0.9	-0-	57.4
Seaway-Capital	0.9	.0	-0-	-0-	.9
PFM-OPEB Resrv	9.6	3.0	3.0	-0-	9.6
PFM-Truman Proj	<u>30.6</u>	<u>10.7</u>	<u>10.7</u>	<u>0.0</u>	<u>30.5</u>
Total Operating	\$263.2	\$ 82.1	\$ 113.0	\$14.2	\$246.5

Also in your folders is the Public Financial Management, Inc (PFM) commentary as of the end of May 2008 detailing the trends in the District's PFM portfolio performance. Note: The May 2008 returns are net of fees.

	May 2008 Portfolio Information			
	Market Value	Duration	May 2008 Periodic Return	May 2008 Annualized Return
A. PFM Managed Investment Portfolios				
(1) Working Cash Portfolio	\$ 57,995,214	0.898	.009%	.110%
- Merrill Lynch 1-Year U.S. Treasury Index		0.892	-.041%	-.482%
(2) Truman Student Center/Parking Garage Project*	30,447,251	0.027	0.250%	3.00%
- No Benchmark			N/A	N/A
(3) OPEB Portfolio	9,874,599	1.087	-.122%	-1.432%
- Merrill Lynch 1-3 Year U.S. Treasury Index		1.571	-.364%	-4.203%
(4) Short-term Operating Portfolio	<u>60,736,384</u>	0.362	.211%	2.516%
- Merrill Lynch 3 month U.S. Treasury Index		0.141	.027%	.318%
Total PFM	\$ 159,053,448			
B. State Treasure's Illinois Fund Portfolios:				
(1) Illinois Money Market Fund	\$ 17,905,108		0.165%	1.986%
(2) Illinois Prime Funds	<u>61,900,477</u>		0.190%	2.280%
Total Illinois Funds	\$ 79,805,585			
C. LaSalle Bank and other Cash Accounts	\$ 8,029,115		0	0
D. Imprest/Student Accounts at Colleges	\$ 935,799			
Total Balances By Institution	\$ 247,823,947			
Total Cash Balance(Illinois Funds & Short-Term portfolio & Cash Accounts)	\$ 149,506,883			
Total Restricted Account Balances	98,317,064			
Total Account Balances.	\$ 247,823,947			

2.1.2 BUDGET/FINANCE UPDATE

Budget Update – The FY 2009 Budget activities for June and part of July 2008: Completed salary schedules for Local 1600 Faculty and Local 1600 Professionals; completed draft of the FY2009 Budget Book; distributed budget book to the Board of Trustees; made FY2009 Budget Book available to the public; held two public Budget hearings – one at Wright and one at Kennedy-King College; met with Kennedy-King College staff concerning FY2008 funding needs; attended Workforce Institute planning meetings; met with the Civic Federation to discuss the FY2009 Proposed Budget; and continued to work with HR & OIT on the PeopleSoft HR upgrade

The Budget Office held three public hearings to present the FY2009 Proposed Budget. They were scheduled at the following locations, dates and times:

- 6:00 pm on July 9, 2008 at Kennedy King College
- 6:00 pm on July 10, 2008 at Wright College
- 9:00 am on July 16, 2008 at the District Office

Student Financial Assistance – Activities during the month of June 2008: Student Financial Services staff issued approximately 500 students refunds, totaling \$185,000 during the month of June 2008.

The projected Fiscal Year 2009 Title IV funds to the City Colleges of Chicago are as follows:

- Pell - The maximum Pell Grant award for 2008 – 2009 will be \$4,731, an increase of \$41 over 2007- 2008. Our average Pell drawdown, or payment is \$43.0 million for a financial aid year.
- Federal Supplemental Educational Opportunity Grand (SEOG) award amount for the financial aid year is \$1,416,799.
- Federal Work Study (FWS) award amount for the aid year is \$2,104,974.
- Academic Competitive Grant (ACG), based on last year's activity, award amount is estimated to be \$135,000.

Student college Visa debit card project. In an effort to reduce costs, increase business office efficiency, improve efforts to adhere to Title IV regulations, and reduce fraud exposure, Student Financial Services staff is implementing the a college debit card program. The project goal is to have both FWS payroll checks and student's refunds generated through direct deposit with any bank of the student's choosing or have funds electronically transmitted to their Visa debit card. The target date for the FWS program is scheduled for September 12, 2008. Student Financial staff is piloting the student refund program for Kennedy King College financial aid students during the Fall 2008 term. Our "go-live" date for Kennedy King College student refunds is October 8, 2008. This program will be launched for all colleges during the Spring 2009 term.

Status of Bad Debt Collection Efforts. Our collection agency has begun to make progress on collecting student's that were written off in fiscal year 2007. We've received our first payment from the collection agency, Harris & Harris (H & H), in the amount of \$14,564 for approximately 65 student accounts deemed as uncollectible. This amount represents the total amount collected of \$18,173 less H & H, commission of 19% or \$3,452.

PeopleSoft Financial System Upgrade - The Finance Office again worked closely with OIT to correct problems with upgrade to PeopleSoft 8.9. The Finance System version 8.9 put was placed in production on November 19th. The Controller's Office continues to work with the Office of Information Technology (OIT) to develop and enhance operational reports and queries. The finance system team has been preparing the finance system for the opening of the new fiscal year. To ensure that similar problems are not encountered, no purchase orders for project grants and capital projects will be rolled forward, new purchase orders will be created for the balance remaining.

The PeopleSoft Financials Upgrade Phase II includes the implementation of the grants module, fixed asset and inventory module and other receivables and billing modules. The Controller and her team have been supporting the testing of the grants and the asset management modules which are scheduled to go live in July. The training of

end users will be convened and completed before the go live date. The rest of the project tasks will continue for go live target date of November 1, 2008.

System Financials Department Activities for the month of Jun-08 is as follows: performed the requisition and purchase order cancellation processes for FY2008 year end closing; co-coordinated with the Accounts Payable Department to clear the voucher match exceptions; processed all FY2008 payrolls into the general ledger; reconciled PCARD transactions and created vouchers to record payments; supported the users to reconcile the budget lines, in-order to perform the year end closing activities; created ad-hoc queries for the year end data analysis; maintained custom budget panels for FY2009 budgeting; uploaded FY2009 appropriation budgets into PeopleSoft; uploaded FY2009 vendor budgets; performed system testing for the Phase II PeopleSoft grants/ billing system implementation.

AUDIT STATUS

Internal Audit Update. Internal audit staff is conducting a district-wide procurement data analysis review and an H.R. Payroll review. Additionally, internal audit will continue to conduct reviews of additional colleges' business offices to assess internal controls in the area of cash management, grants administration, procurement, campus security and building maintenance. They are monitoring preparations for the federal audit of the City of Chicago's Head Start grant to District. The quarterly Executive Audit Committee has been set for August 20, 2008.

Controller Office activities: First, the activities surrounding 2008 year end close preparation included the following: work with appropriate internal and external parties to obtain required information to post year end accruals and adjustments and prepare the notes to the financial statements and other related financial schedules; submitted the physical inventory count listings and instructions to colleges; and met with OIT to access student module data as of June 30, 2008.

Second, the status of the FY 2008 external audit planning: began regular meetings with Deloitte & Touche LLP to review and finalize engagement letter, planned external audit and held an audit kick-off meeting with OIT.

Third, the status of FY 2008 current Controllers Office operations include: worked with the Grants staff to develop new monthly board report; enhanced reporting and communications in the grants accounting area; and completed the interim financial report through May 31, 2008.

Fourth, the PeopleSoft Financial System Upgrade – Phase 2 activities include: the Grants module testing is 75% complete and the Asset Management module testing is 90% complete.

Finally, as a result of an inquiry from the U.S. Department of Education, the Controller's Office was also involved with the re-evaluation of FY 2006 Federal Single Audit finding number 4, which related to the TRIO programs. The Controller executed a contract with a TRIO program expert for assistance in reviewing and improving related policies and procedures. The Controller also participated in a meeting with the student support services program directors to improve the overall operational management of the TRIO programs.

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

- Received Board approval for twenty-four (24) board items at the June Board meeting and requesting approval for twenty-two (22) board items for the July Board meeting;
- Entered 489 new vendors in database
- Over the last six months, purchase orders were reviewed and processed for transactions:

<u>Month</u>	<u>over \$5,000</u>		<u>Under \$5,000</u>	
	<u>No. PO</u>	<u>Expenditures</u>	<u>No. PO</u>	<u>Expenditure</u>
January 08	62	\$3.3 million	--	--
February 08	43	\$1.7 million	--	--
March 08	89	\$8.5 million	--	--
April 08	63	\$3.4 million	--	--
May 2008	100	\$2.6 million	--	--
June 2008	143	\$1.2 million	1,065	\$0.8 million

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

Dept/Campus	Contract	Status

District Wide	Engineer and Custodian Uniform Rental	Ad 7/3/2008-Bids, Due 7/30/2008
Internal Audit	Audit Services	Ad Date 6/30/2008, Due-7/21/2008
District Wide	Printing of College Course Schedules-Re-bid	Ad 7/8/2008, Due 7/28/2008
Administrative Services	Mass Student Notification System	Ad Date 7/9/08, Due 7/30/2008
Washburn Culinary	Chef Uniforms	Ad Date 6/16/08 Due 7/2/2008
Administrative Services	Job Order Contracting Program Consultant	Ad Date 7/14/08, Due 8/7/2008

As of June 2008, the Accounts Payable team has significantly reduced payment match exception district wide by holding training sessions with individual colleges and departments. Over the last five months, AP reviewed and processed the following number of vouchers for vendor payments:

<u>Month</u>	<u>No. Vouchers</u>	<u>Change</u>
January 2008	3,202	---
February 2008	3,555	11.0%
March 2008	3,609	1.5%
April 2008	3,954	9.6%
May 2008	4,569	15.6%
June 2008	4,616	1.0%

Micro City Purchases - The District's May 2008 monthly Micro-City purchases report includes both monthly and year-to-date information. The total May 2008 Micro City purchases were about \$741,000, down \$260,000 from last month's expenditures of \$1,001,000. The eleven month year-to-date totals were approximately \$4.6 million.

<u>EQUIPMENT</u>	<u>May 2008</u>	<u>Year to Date</u>
Computers	\$ 383,370	\$1,508,262
Printers	53,318	148,094
Software	25,611	392,683
Related Equipment	<u>279,061</u>	<u>2,558,930</u>
Total	\$ 741,360	\$4,607,969

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 five (5) resolutions in the June 2008 Board folder before the board:

Resolution 1H– authorizes the routine transfer of approximately \$7.3 million during the month of June 2008, 39% of the budget transfers were for less than \$1,000. This is the case because budgets are becoming tight at this point in the year, and small transfers are needed to complete their purchases for the year. The majority of the transfers this month were simply small transfers between departments or between contracts and supplies. The volume of transfers during May and June has been significantly higher than the average monthly transfers of \$3.2 million. There are many reasons for these transfers, such as: clean up of payroll suspense issues; correcting program or account codes; cover insufficient budgets with funds from the District Contingency Account; reallocate funds between departments within colleges; and reallocate funds within departments, but between programs or accounts

Below is a summary of transfer activity by object and by program.

Summary of Budget Transfers

OBJECT CODE	AMOUNT
Salaries	(\$57,632.82)
Benefits	\$16,957.97
Services	\$681,042.31
Supplies	\$13,526.04
Travel	(\$1,454.83)
Fixed Charges	\$236,131.42
Utilities	\$80,657.32
Capital	(\$52,000.00)
Other	(\$917,227.41)
Total	\$0.00

PROGRAM CODE	AMOUNT
Instruction	(\$262,376.37)
Academic Support	\$183,523.10
Student Services	(\$29,106.88)
Public Service	\$74,762.02
Enterprise	(\$28,404.05)
Operations & Maintenance	\$333,012.43
Administration	(\$326,325.10)
Scholarships, etc.	\$54,914.85
Total	\$0.00

There were also transfers from the district contingency fund in the following amounts:

From Contingency (\$773,479.04)

To:

Kennedy-King	\$628,675.10
Development	\$6,500.00
General Counsel	\$131,204.34
Chancellor	\$7,100.00

	<u>Transfers Out</u>	<u>Transfers In</u>	<u># of Transfers</u>
Daley	(\$394,406.82)	\$394,406.82	53
Harold Washington	(\$930,493.31)	\$930,493.31	72
Kennedy-King	(\$2,401,932.05)	\$2,950,607.15	112
Malcolm X	(\$727,821.95)	\$719,621.95	40
Olive Harvey	(\$425,771.32)	\$425,771.32	67
Truman	(\$195,902.23)	\$195,902.23	30
Wright	(\$576,530.28)	\$576,530.28	168
District Office	(\$1,566,708.54)	\$1,026,233.44	84
TOTAL	(\$7,219,566.50)	\$7,219,566.50	626

Section 4 - Agreements

There are ten (10) agreements on today's agenda:

4A – is an emergency contract with **EarthTech**, Chicago IL, for immediate mechanical engineering services for the water infiltration protection and ventilation systems in the pool area of the Phase II Building at Truman College for a not to exceed sum of \$70,950 representing the negotiated fee of \$64,500 plus a 10% contingency. (ADMINISTRATIVE SERVICES)

4B – extends the option for the existing bookstore operations with **C & W Books, Follett Higher Education and Beck's Bookstore, Inc.** through fall 2008 term, granting an additional seven (7) weeks from September 5, 2008 through October 16, 2008. (ADMINISTRATIVE SERVICES)

4C – approves an inter-governmental agreement between CCC and the **City of Chicago, Bureau of Fleet Management** for the purpose of providing fuel services to CCC vehicles at Fleet fuel depots for estimated annual District Wide usage of \$150,000 for a three-year period with an option to extend for two additional years. (ADMINISTRATIVE SERVICES)

4D - executes a professional services agreement with **David Hilquist** to assist in the completion of the FY2008 audit, support Phase II-PeopleSoft Financial Upgrade, provide staff training in financial and Higher Learning Commission Reporting, monitoring ICCB rules and Regulations, and support to the Colleges from July 16, 2008 to June 30, 2009 in an amount not to exceed \$90,000 including expenses. (OFFICE OF FINANCE)

4E - amends the **Fort Dearborn Life Insurance Company** agreement to increase Local 1600 employees and retiree Life Insurance Plan coverage rate for the period August 1, 2008 through September 30, 2010, at an annual cost not to exceed \$844,705. (HUMAN RESOURCES)

4F - amends the **KPMG LLP** agreement to reflect the extension of the original contract period from June 30, 2008 to September 30, 2008. (OFFICE OF INTERNAL AUDIT)

4G - extends and amends the agreement with **Lopez - Martin & Associates** for the Hispanic Market Outreach Program development and implementation services to attract hispanic students to CCC Credit and Adult Education Programs for the period of July 17, 2008 through July 16, 2009 in an amount not to exceed \$168,000. (MARKETING DEPT)

4H – is an annual service maintenance agreement with **NeoPost**, Stamford, CT for the postage mailing machines from July 16, 2008 through June 30, 2010 in the total estimated annual amount of \$16,000. (DALEY, DAWSON, TRUMAN AND OLIVE HARVEY COLLEGES)

4I - is an annual service maintenance agreement with Pitney Bowes for the postage mailing machines from July 16, 2008 through June 30, 2010, in the total estimated annual amount of \$51,500. (HAROLD WASHINGTON, KENNEDY KING, MALCOLM X, OLIVE HARVEY AND WRIGHT)

4J - is a professional services agreement with Camp Dresser & McKee, Inc., for the Completion of the survey and final report of the Public Address (PA) systems and design recommendation for new PA systems District-wide for a cost not to exceed \$50,000. (ADMINISTRATIVE SERVICES)

Section 6 – Purchases

There are nine (9) purchase reports for today's meeting:

6A – authorizes the issuance of a purchase order to **South Suburban College**, the sponsor for the ACT Buying Consortium to purchase ACT assessment testing at the lowest bulk rate from 1, 2008 – June 30, 2009 at a total cost of \$351,580. (ACADEMIC AFFAIRS)

6B – authorizes an agreement with **Chicago Transit Authority (CTA)** pursuant to the grant funding and various program needs for purchases of CTA regular fare transit cards in an amount not to exceed \$160,000 annually beginning July 16, 2008 through June 30, 2010. (ACADEMIC AFFAIRS)

6C - approves the issuance of purchase orders on an as needed basis to specific vendors for the purchase of referenced testing materials for the period beginning July 16, 2008 through June 30, 2010 in a total amount not to exceed \$675,500 annually. (Academic Affairs)

6D - authorizes the issuance of purchase orders to **InterPark** for twenty-seven administrative parking spaces plus parking spaces for college guests at Harold Washington College, in an amount not to exceed \$80,500 beginning July 16, 2008 through June 30, 2009. (ADMINISTRATIVE SERVICES)

6E - approves the payment to Delta Heating to provide emergency structural repairs to the AHU S-7 Air Handling Unit at Malcolm X College as per their quoted amount not to exceed \$20,968 (Administrative Services)

6F - amends the agreement with **Vacant Property Security, Co., Inc.** for emergency leasing of materials and screening needed to secure the vandalized areas on the east side of the facility bordering the alley at the vacant Kennedy-King College through September 30, 2008, in an amount not to exceed \$12,038, in accordance with the specifications provided by the vendor. (ADMINISTRATIVE SERVICES)

6G - authorizes the issuance of purchase orders on an as needed basis to **Reo Movers & Van Lines-Chicago IL** to provide moving services District Wide for the period beginning July 16, 2008 through July 15, 2011, in an amount not to exceed \$50,000 annually, with an option to extend for an additional two (2) year period, in accordance with the specifications of RFP #DT0803 dated February 18, 2008. (DISTRICT OFFICE)

6H - authorizes the issuance of a purchase orders on an as needed basis to sole source vendors listed for the purchase of Hospitality/Retail/Restaurant related materials beginning July 16, 2008 through June 30, 2009 in a total amount not to exceed \$164,000. (HAROLD WASHINGTON)

6I - approves the issuance of purchase orders on an as-needed-basis for diesel and gasoline fuel from **Avalon Petroleum Company**, in an amount not to exceed \$120,000 District Wide and \$30,000 for the Commercial Driver License Program at Olive-Harvey College until the intergovernmental agreement between CCC and the City of Chicago, Bureau of Fleet Management for the purpose of providing fuel services to CCC vehicles at Fleet fuel depots has been approved by the City Council. (Olive-Harvey College/District)

Section 7- Informational Reports

7C - covers the prior month clinical and training agreements.

7D. Monthly Utility, Postage and Other Expenditures Report for April 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 May 1, 2008 thru May 31, 2008:

CAMPUS/DEPT.	VENDOR	AMOUNT	DESCRIPTION
District-Wide	AT&T Inc.	\$232,698.74	Utilities- Telecommunication
WYCC, Kennedy-King, Harold Washington, Malcolm X, Olive-Harvey, Daley, and Wright Colleges	Qwest Communication	\$1,317.40	Utilities-Long Distance Service
District Office	Peoples Energy	\$3,238.98	Utilities-Com Ed
District-Wide	Peoples Energy Services	\$1,319,536.61	Utilities-Natural Gas & Electricity
Harold Washington College	People Energy	\$5,597.67	Utilities- Natural Gas
Kennedy-King College	Corporate Express	\$1,520.96	Purchase of Office Supplies from Illinois Community College System Purchasing Consortium (ICCSPC)
WYCC, Daley, Kennedy-King, Harold Washington, and Truman Colleges	United States Postal Service	\$102,975.00	Postage
District Office, Kennedy-King, Truman, and Wright Colleges	Pitney Bowes	\$2,051.72	Postage and Maintenance

District-Wide	Office Depot	\$106,231.39	Purchase of Office Supplies from ICCSPC
Harold Washington, Olive-Harvey, Daley, Kennedy-King, Truman and Wright Colleges	Magnetic Office Product	\$57,886.75	Purchase of Office Supplies from Illinois Community College System Purchasing Consortium (ICCSPC)
Malcolm X, Olive-Harvey, and Wright Colleges	Unisource	\$16,405.68	Paper from ICCSPC
District Office	Centennial Contractors Enterprises Inc.	\$162,044.22	Contracting Services from Illinois Community College System Purchasing Consortium (ICCSPC)
District Office Daley College	Krueger International Furniture	\$48,852.55	Furniture from ICCSPC
District Office, Truman, Olive-Harvey, and Daley Colleges	Jostens	\$12,315.37	Graduation Cap & Gown Purchase/Rental Services from ICCSPC
District Office	Illinois Student Ass. Commission	\$5,617.98	Student Loan
Truman College Wright College	CDW-G	\$2,137.65	Purchase of computer accessories and supplies from ICCSPC
Truman, Daley, Olive-Harvey Colleges	Burgoon Co.	\$15,608.20	Purchase of Scientific Equipment and Supplies from ICCSPC
District Office	ThyssenKrupp Elevator Co.	\$537.75	Maintenance Service from ICCSPC
Harold Washington, Malcolm X, Truman, and Wright Colleges	Fisher Scientific	\$5,034.46	Purchase of Scientific Equipment and Supplies from ICCSPC
District Office Daley College	WorkFlow One	\$25,532.55	Purchase of Data Processing Cards and Paper Supplies from ICCSPC
Olive-Harvey	Middle College	\$5,800.00	Registration Fees
District Office, Malcolm X, Olive-Harvey, and Daley Colleges	Sprint	\$346.23	Telecommunications
Harold Washington, Daley, and Wright Colleges	Home Depot	\$827.10	Maintenance Supplies from ICCSPC
Wright College	VWR International	\$216.25	Scientific Equipment from ICCSPC
Truman College	Zep Manufacturing	\$105.29	Janitorial Supplies from ICCSPC
Truman College	XPedx Paper	\$165.28	Office Supplies from ICCSPC
District Office	Sustainability Consortium	\$40.00	Seminar Fees

Committee Chair Nancy Clawson called the Board Committee meeting on OIT to order at 10:05a.m. and asked Vice Chancellor John Dozier to present the report. Vice Chancellor Dozier reported to the board the following:

Application Projects:

PeopleSoft Finance – Phase 2 of the Finance system is on time and within budget. Deliverables for phase 2 include: the implementation of Grants Management, the improvement of Asset Management, additional reporting, and automated billings and receivables. The Office of Finance is continuing to test the system, cleaning-up old grants and assets tables in order to ensure a smooth transition. Phase 2 is expected to be complete by August, 2008.

PeopleSoft HR – The HR upgrade to version 9.0 is running on time and within budget. The “go-live” date will be occur on Tuesday of next week. Vice Chancellor Metcalfe will provide a detailed report of our progress in her report to you.

Data Migration and Reporting – The re-hosting and migration of files from the Axiom mainframe to CCC has been completed. On Friday, we will be reviewing the development of a prototype dashboard and we have established a plan for data warehousing. The development of PS reports is back on track and we expect that portion of this project to be completed by September.

During the past month, OIT upgraded servers in support of ID management, file and Print, anti-spam, anti-virus, windows, and applications.

Committee Chair Nancy Clawson called the Board Committee meeting on Administrative Services to order at 10:10a.m. and asked Associate Vice Chancellor Diane Minor to present the report. Associate Vice Chancellor Minor reported to the board the following:

Board Resolutions and Reports

1A Resolution Authorizing the Purchase of Property for Truman College

The footprint of the approved Student Services and Parking Facility Building requires the purchase of approximately 22,000 square feet of adjacent property owned by the Chicago Transit Authority. CTA agreed to sell the land with the provision that of the 1100 planned parking spaces, 200 be set aside for Park & Ride customers. The appraised value was set at \$1.1 million, and the District has agreed to pay \$100,000 down, paying the balance from Park & Ride revenues during the course of the fifteen year agreement. CTA will also reimburse the District a share of the maintenance, the cost of trestle demolition and various equipment costs.

4A Emergency Engineering Services for Truman College Student Services & Parking Facility and Phase II Buildings

With the start of construction for the new Student Services & Parking Facility, an engineering study determined that the Phase II Building housing the gym, pool, and theatre is experiencing equipment failure and is unable to protect the environment adequately during the upcoming construction project. Administrative Services is recommending the engagement of Earth Tech, a mechanical engineering firm competitively selected by the State's Capital Development Board to provide project management and coordination services on the Truman facility project. The project is recommended at a not to exceed amount of \$70,950, with full M/WBE participation and the hiring of qualified City College students during the course of the project.

4B Extend College Bookstore Operation Agreements for All Colleges (Amending Board Report #23999)

Current book store agreements were originally awarded for a term beginning September 5, 2003, ending September 4, 2008. Administrative Services has worked with Procurement Services and is presently evaluating the responses to the advertised Request for Proposals for new providers. To avoid interruption for the students during the Fall Special Session registration, we are asking for authorization to extend the current contracts for an additional seven weeks, through October 16, 2008 at the same commission level. The vendors authorized by the Board at the September, 2008 Board Meeting will then come in and begin operations set-up on October 17, 2008, allowing for a smooth transition for students, faculty and college operations.

4C Intergovernmental Agreement with the City of Chicago District-wide use of Fleet Management Fueling Stations

The District seeks authorization for an Intergovernmental Agreement to participate in the City's Fleet Fuel Program to receive favorable pricing through their bulk purchasing program for approximately 31 City College vehicles. Annual district-wide expenditures are estimated at \$150,000. The program is expected to start no later than October 1, 2008 upon approval of City Council. The Fleet Fuel Program has full M/WBE compliance.

4J Public Announcement System Evaluation and Design of Replacement System for All District Facilities

Administrative Services has been working with the Director of Security to determine the state of readiness for emergency situations. The determination was made that the Public Address systems in all of the District facilities need to review for efficiency and effectiveness. The engineering firm of Camp, Dresser & McKee was competitively selected from the Board approved pre-qualified list of A&E firms as most qualified to undertake the evaluation and design of replacement systems. The cost of the initial study is not to exceed \$50,000 and there is full M/WBE compliance.

6D Parking Spaces for District Office and Harold Washington College

This is the consolidation and renewal of parking spaces for both downtown District locations at different lots but the same management company, InterPark. Five companies were originally solicited for parking prices, and InterPark was the lowest price.

6E Preliminary Design and Mold Remediation for Air Handling Unit S-7 at Malcolm X College

Water seepage into AHU S-7 has created a situation that needs immediate attention to prevent any mold or bacteria from spreading throughout the building. The District's cost plus contractor, Delta Heating & Air Conditioning, previously approved by the Board will undertake the work for an amount not to exceed \$20,968 with full M/WBE compliance.

6F Emergency Purchase of Board-Up Services at the Vacant Kennedy-King Facility

This is a request for authorization to amend Board Report #28287 for Vacant Property Security Company (VPS) to replace fencing that was removed from the east side of the Administration Building by vandals in order to properly secure the building. The additional material costs and installation is \$12,038 until September 8, 2008 when the contract expires. M/WBE compliance was met by VPS.

6G Moving Services District-wide

As a result of a competitive bid issued by Procurement Services, six firms responded to provide moving services on an as needed basis for an amount not to exceed \$50,000 annually until July 15, 2011. REO Movers was the lowest bidder, having the lowest hourly rates. Full M/WBE compliance has been met by the bidder.

In the Amendment Folder you will find an additional Board Report for the Sub-License Agreement with Wilson Yard Redevelopment I, LLC. for Use of Land leased from Chicago Transit Authority for Construction Staging at Truman College

Truman College entered into an agreement with the CTA on November 3, 2005 to lease adjacent vacant land for student and faculty parking. Since then CTA, the Alderman's Office, the community and Wilson Yard Redevelopment have worked together on land use, funding and scheduling for a plan that minimizes any adverse effect on the surrounding community. For construction to begin smoothly, the developer has requested the right to use an unused portion of Truman's leased space for their staging area for the next 24 months. While the monetary compensation is minimal, Wilson Yard Redevelopers is hiring City College students throughout the phases of the construction project and has agreed to union sponsored apprentice and laborer slots.

Project Updates

In May, 2008, the Board approved a contract for the temporary roof repairs for Wright College. With the questions raised by the Board and a third look at the price discrepancy, Administrative Services and Procurement made the decision to re-bid the project, requesting a more stringent safety program for the contractor and more safeguards for the District. When the bid results are in, they will be submitted to the Board for approval. The work is still on track to be completed this fall, 2008.

NKKK

While the punch list items have been listed as less than five, Administrative Services staff has been going through the buildings to check the validity of repairs undertaken by McCluer and determined that there are items not satisfactorily completed. Where items do not appear to be warranty issues, we have informed Public Building Commission on the need for additional work by their contractors before final acceptance.

Work is continuing on the build-out of the music classrooms, conference center and restaurant in Building U by the District's Job Order Contractor, Centennial.

Old Kennedy-King Building

Administrative Services continues to maintain the vacant facility along with the vital help of Kennedy-King's security and engineering staff. In a meeting with the City's Department of Planning it was stated the Chicago Park District will make its final decision on adaptive re-uses upon their final walk-through of the athletic building. Until such time that a new plant operation can be constructed on the west side of the street, City Colleges will continue to maintain the facility at a cost of almost \$750,000 annually which includes the District's costs for insurance, utilities, site maintenance and board-up security.

Truman Student Facilities & Parking Facility

The planned facility for Truman has been approved by The City's Plan Commission and City Council Committee on Zoning for its planned design and space use. With the approval of land sale today at the CTA as well as by this Board of Trustees, ground breaking can occur in August. The first sets of bids were issued and the lowest bidder for ground breaking and general conditions work will be awarded a contract by the Capital Development Board. The Board will be notified of the ground breaking ceremonies by Lynn Walker, President of Truman College.

Five Forward

Administrative and Procurement Services have met with representatives of Chicago United to start our involvement with Five Forward Program. Our next steps involve selecting five minority owned firms to develop an expanded relationship in order to have a significant economic impact for not only the companies involved but ultimately the City's economy that provides employment opportunities with sustainable growth and stability. With that, the District should have the ability to place the many qualified City College graduates successfully in jobs with local companies that have grown as a result of Five Forward. While challenging for a governmental agency bound by state statutes for competitive bidding, we look forward to working with Chicago United to make this program successful.

So far, three companies are tentatively identified by the District. Our next step is to meet with Chicago United to get our program underway. We will keep the Board informed of the District's progress in this program.

The meeting was adjourned at 11:20 am.