

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

**Wednesday, September 03, 2008**

**TRUSTEES**

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Ralph Moore  
Terry Newman  
Shamil Clay

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Wayne Watson

**GENERAL COUNSEL**

James Reilly

**ASSISTANT BOARD  
SECRETARY**

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**TREASURER**

Dolores Javier

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DISTRICT**

Angela Henderson  
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Kenneth Gotsch  
Michael Mutz  
John Dozier  
Cecile Regner  
Clyde El-Amin  
Ghingo Brooks  
Marcie Aranda  
Lynn Muldrow Walker  
John Wozniak  
Charles Guengerich

**FACULTY COUNCIL**

Keith McCoy

**DISTRICT OFFICE**

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Ralph Passarelli  
Ronnie Watson  
Melissa Reardon Henry  
Juliette Ferguson

Valerie Highsmith  
Derrick Harden  
Elsa Tullos  
Ingrid Worrell  
Jose Aybar  
Cynthia Armster  
Cecilia Lopez  
Randy Barnett  
Diana Madrzyk  
Joseph Scheurich  
James Gonsiorek  
Simon Visser  
Sheadrick Tilman  
Sheila Johnson  
Delores Withers  
Kim Nishimoto  
Cynthia Sexton  
Cris Sayre  
Sherrie Richardson  
Ukeyco Millsap  
Jennifer Seldon  
Eugene Nichols  
Jane Barnes  
Eugenia Krzyzanski

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

1. **Minutes** of September 03, 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:**

**TREASURY UPDATE**

**Monthly cash flow report:** The District's Treasurer was not able to prepare the final FY 2008 Monthly Cash Flow Report or the FY 2009 report for today's meeting due to tasks surrounding closing the books and the special review of college treasury operations. In your folders is a short memo from the Treasurer and the Public Financial Management, Inc (PFM) monthly commentary as of the end of July 2008 detailing the trends in the District's PFM portfolio performance. Note: The July 2008 returns are net of fees.

Other Treasury's activities for the month of August 2008 were as follows: (1) ATMs for all College locations was successfully implemented; (2) Bank of America was successfully implemented as City Colleges' merchant credit card processor; (3) Child Support and Accounts Payable file transmissions files were successfully automated with Chase. Final testing to convert HR and Student Financials transmissions from a manual to an automated function is on-going but expected to be completed by mid-September; (4) The roll-out of Chase's Student Debit Card for Financial Aid Work Study students is targeted for September.

**BUDGET/FINANCE UPDATE**

**Budget Update** – The FY 2009 Budget activities for August 2008 include: budget staff attended the annual NACUBO Conference, ensured that the FY2009 budget was loaded accurately into the PeopleSoft financial system, completed the annual ICCB Tuition and Fees filing, worked with the Child Development Office concerning setting new child care rates for FY 2009, met with Adult Education staff concerning the ICCB submission of unrestricted and restricted courses, completed numerous budget transfers for FY 2008 year end clean-up, met with Human Resources concerning planning, procedures, and processing retirees impacted by the SURS 6% rule, and finally, reviewed the financial estimates for numerous new program proposals (including a cosmetology program at Olive Harvey, the IBEW electrician's training program at Dawson Tech and a Trading Floor technician program at Harold Washington).

The next steps for the District's FY2009 budget is to schedule the required tax levy hearing, brief individual colleges on FY 2009 budget, print and distribute final copies of the FY 2009 budget book, file FY 2009 budget with ICCB, submit budget to GFOA for their professional review, and convene the Tuition Committee to review multi year financial projections and recommend a multi year tuition and fees plan.

Other projects the Budget staff is working on included the FY 2007 APSA analysis and review of internal audit RFP responses for procurement committee.

**System Financial Department** - The activities for the month of August 2008 include: successfully went live with Grants Management Module; resolved major setup configuration issue with the Grants Module; and identified and resolved old grant reconciliation issues. Work in Progress: performed Pre/ Post Go-Live Support with the Grants Ledgers, created ad-hoc reports for the year end data analysis, posted payroll accruals, performed custom report requirement analysis for the General Ledger/ Accounts Payable modules; continued with the Requisition, Purchase Order cancellation processes for FY2008 Year End Closing, and extracted and prepared Student Financial Aid reports for the audit

**Internal Audit Update.** The quarterly Executive Audit Committee met on August 20, 2008.

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

- Received Board approval for nineteen (19) board items at the September Board meeting and requesting approval for eleven (11) board items for the August Board meeting;
- Monthly count of new vendors processed into the PeopleSoft vendor file: 489 in August, 232 in July, and 489 in June.
- Over the last eight months, purchase orders were reviewed and processed for transactions:

<u>Month</u>	<u>Business Services</u> over \$5,000		<u>Colleges</u> Under \$5,000	
	<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
July 2008	43	\$ 2.2 million	964	\$0.9 million
August 2008	116	\$11.5 million	1,215	\$1.1 million

- The September 2008 bid schedule includes the following five (5) items:

Dept/Campus	Contract	Status
Administrative Services	Public Notice-Request for Qualification-Architectural and Engineering Services	Ad Date 9/4/2008, Due 9/25/2008

Administrative Services	Television Support Design Equipment & Installation at Kennedy-King College	Ad Date 8/19/2008, Due 8/29/2008
Administrative Services	Plants and Plant Maintenance	Ad Date 9/4/2008, Due 9/25/2008
Wasburne/ Kennedy-King	Fresh Meat and Seafood	Ad Date 8/13/2008, Due 9/10/2008
Administrative Services	Job Order Contracting Program Consultant	Ad Date 8/6/08, Due 9/4/2008

The Accounts Payable team continues to reduce payment match exception district wide by monthly monitoring of activity. Over the last seven 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%
July 2008	2,952	(36.0%)
August 2008	2,003	(32.1%)

**Micro City Purchases** - The District's July 2008 monthly Micro-City purchases report includes both monthly and year-to-date information. The total July 2008 Micro City purchases were about \$159,000.

<u>EQUIPMENT</u>	<u>July 2008</u>	<u>Year to Date</u>
Computers	\$ 919	\$ 919
Printers	287	287
Software	66,908	66,908
Related Equipment	<u>90,928</u>	<u>90,928</u>
Total	\$ 159,042	\$ 159,042

### **FINANCE OFFICE SEPTEMBER 2008 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 September 2008 Board folder before the board:

Resolution 1D– authorizes the routine transfer of approximately \$1.9 million during the month of August 2008.

Resolution 1E – authorizes changes to approved Board depository accounts, adding new Chase Bank accounts.

#### **Section 3 – Resource Development**

3B – Grants or contract awards received during July 2008. No grants entered during July due to Phase 2 PeopleSoft upgrade to the grants module.

#### **Section 4 - Agreements**

There are eleven (11) agreements on today's agenda:

4A - enters into an agreement for the period September 1, 2008 through August 31, 2009 with the Erikson Institute to develop and implement a seminar series and provide consultation to City Colleges' faculty and administrators at a cost not to exceed \$45,000. (ACADEMIC AFFAIRS)

4B - renews the software license agreement with IParadigms (Turnitin) in the amount of \$29,746 for the period of August 31, 2008 through August 31, 2009 to provide the anti-plagiarism software across the system. (ACADEMIC AFFAIRS)

4C - is an agreement with CMM Group Inc. for exterior façade repairs at Olive - Harvey College for a total bid price of \$3,046,000 plus \$304,600 (10% construction contingency) for a total not to exceed price of \$3,350,600 in accordance with the specifications of Sealed Bid # NU0808 dated June 5, 2008. (ADMINISTRATIVE SERVICES)

4D - enters into a rental agreement with G & K Services, in an amount not to exceed \$65,000 annually for the rental of uniforms for Engineers & Custodians for a period of three (3) years effective October 1 2008, through September 30, 2011, with an optional 2 year extension from date of contract in accordance with the specifications of Sealed Bid # DT0810 dated June 26, 2008. (ADMINISTRATIVE SERVICES)

4E - enters into separate agreements with Follett Higher Education Group, Inc., and Beck's Book Store, Inc. to provide Bookstore Operation services for a period of five (5) years beginning October 17, 2008 through October 16, 2013, with an option to extend for three (3) additional years in accordance with RFP# NU0807 dated May 2, 2008. (ADMINISTRATIVE SERVICES)

4F - amends the professional services agreement with The Foster Group, Inc. for additional support equivalent to two FTE for the Office of Finance and increase the contract amount by \$112,000.00 annually beginning October 1, 2008. (OFFICE OF FINANCE)

4G - is an agreement with Washington, Pittman, & McKeever to provide internal audit service for a negotiated fee of \$95 per hour for a not to exceed an annual amount of \$420,000 and Smart Business Advisory & Consulting, LLC for a negotiated fee of \$130 per hour for fiscal year 2009 and \$137 for fiscal year 2010 for a not to exceed an annual amount of \$400,000 for a period of two (2) years beginning October 1, 2008 through June 30, 2010, with an option to extend for one (1) additional year in accordance with RFP# NU0809 dated June 26, 2008. (OFFICE OF INTERNAL AUDIT)

4H - is an agreement with Siemens Communications, Inc. to purchase annual maintenance services pursuant to the SIEMENS' Supplement for SmartServe Support Services Plan for Data Networking Products in the amount of \$11,936 for a Wireless Local Area Network Systems Maintenance Agreement beginning September 3, 2008 through September 3, 2009. (Kennedy-King College)

4I - amends the existing agreement with the Chicago Park District, to include the exclusive use of the Parrot Cage Restaurant's patio, housed on the 1<sup>st</sup> floor of the South Shore Cultural Center with all other terms and conditions to remain the same. (Kennedy-King College)

4J - is an Intergovernmental Facilities Use Agreement between the Illinois Department of Employment Security ("IDES") and Kennedy-King College for the period beginning 8/11/08 through 6/30/09 to utilize college space to provide on-site service access to IDES Self and Staff Assisted Employment and Career related services and Illinois Work Net Partner Collaborations for the benefit of Kennedy-King College students and Chicago Community residents. (KENNEDY-KING)

4K - enters into an intergovernmental agreement with Chicago Public Schools to provide CPR/First Aid/AED training with the expected revenue of \$47,560, from September 26 2008 through June 30, 2009. (MALCOLM X COLLEGE)

#### **Section 6 - Purchases**

There are eight (8) purchase reports for today's meeting:

6A - approves the issuance of a purchase order to the National Association of Developmental Education (NADE) Kellogg Institute- Appalachian State in the total amount of \$32,000 for the District's participation in the National Association of Developmental Education (NADE) Kellogg Institute to be held at Appalachian State University, Boone North Carolina during June, 2009. (ACADEMIC AFFAIRS)

6B – approves the issuance of purchase orders to Office Depot and Staples, Inc. in a combined amount not to exceed \$400,000 for staff to purchase inkjet and laser toner cartridges for printer and fax machines annually District-wide from, September 4, 2008 through August 31, 2009, with two (2) options to renew for periods of 12 months each, subject to Board Approval. (DISTRICT PROCUREMENT AND BUSINESS SERVICES)

6C – approves the issuance of purchase orders to Arrow Messenger Service Inc. to provide messenger services in an amount not to exceed \$100,000 annually District-Wide from September 4, 2008 through December 31, 2010. (PROCUREMENT SERVICES)

6D - issuance of purchase orders to Nestle Waters North America, Inc. dba Ice Mountain Spring Water, Phoenix, AZ. to provide bottled drinking water, distilled water and water cooler rentals in an amount not to exceed \$50,000 annually District-Wide from September 4, 2008 through June 30, 2010. (DISTRICT-WIDE)

6E - the issuance of purchase orders for Fiscal Year 2009, for the period beginning September 4, 2008 through September 4, 2009 for the vendors listed for a combined total amount not to exceed \$230,000. (OFFICE OF FINANCE)

6F - issuance of a purchase order for payment to the Higher Learning Commission in the amount of \$16,325.00 for Harold Washington College's evaluation peer review team visit for continued accreditation. (HAROLD WASHINGTON COLLEGE)

6G - the issuance of a purchase of a Super Jib w/remote head from Stanton Video Services, Inc., Phoenix, AZ. in the amount of \$18,900 for WYCC –TV. (WYCC-TV)

6H - issuance of purchase orders for chef uniforms on an as needed basis to Superior Uniform Group for the annual purchase of uniforms in an amount not to exceed the annual cost of \$114,224.00 for a three (3) year period, beginning September 4, 2008 – September 4, 2011 with an option to extend for an additional two (2) year period, in accordance with the bid specifications #MWJ0805 dated June 13, 2008. (WASHBURNE CULINARY INSTITUTE)

**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:**

Regarding Applications Projects:

**PeopleSoft Finance** – Phase 2 of the Finance system continues to be on time and within budget. Deliverables include: the implementation of Grants Management, the improvement of Asset Management, additional reporting, and automated billings and receivables. As reported last month, on Monday, July 21, the Grants Management module was moved to production and since then the 81 grants that the City Colleges of Chicago manages have been loaded and the colleges are now charging expenses to them. On September 6, 2008 we will have completed the upgrade of assets management and are continuing to work with Finance Department staff to develop the user and technical specifications for needed reports.

**PeopleSoft HR** – On the heels of a successful HCM upgrade, the HCM Maintenance Project has begun. The goal of this project is to apply the most recent maintenance pack (all of the fixes since the release along with all tax updates) to the PS HCM production system. The project has an anticipated closeout of October 31, 2008.

Regarding the HR upgrade, we discovered a software flaw that creates the potential for employees to intermittently and inadvertently view the pay advices of other employees. In response, we have discontinued employee access to their pay advices. Additionally, we have logged the issue with Oracle and they have provided us with a temporary fix that we will begin working on immediately. Furthermore, I am expecting a call from them today regarding a long-term solution to this problem.

**Data Migration and Reporting** – Regarding reporting, there are a total of 177 reports or files that are being delivered per this statement of work. By the end of this week 83 of these reports will be ready for production. We are on track for completing this project by the end of September as I reported to you last month.

We are currently preparing a Statement of Work for the phase 2 of Data Warehousing which will include building upon the prototype dashboard that was developed in the first phase and expanding our data warehouse. We will also continue to validate reports and data so that we can reach our ultimate goal of generating all reports and queries from our PeopleSoft systems.

**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 Reports

##### 4C Exterior Façade Repairs at Olive Harvey College

Specifications were prepared by Administrative and Procurement Services, working with the Board approved architectural firm, Goettsch Partners, and competitively solicited. Of the five firms that responded, recommendation for award is for the lowest responsible bidder, CMM Group Inc., Chicago, II for an amount not to exceed \$3,350,600. Review of their past work and references has taken place and they have demonstrated their expertise in repair of curtain walls and concrete structures as well as the required interior work. Full M/WBE compliance was met.

##### 4D Uniform Rental Services for Engineer & Custodial Staff, District-wide

City Colleges has provided clean uniforms to the engineering and custodial staffs in all facilities on a weekly basis as agreed upon in our union agreements as well as our goal of presenting readily identifiable and professional looking building support staff for students and faculty. Publicly solicited bids were issued by Procurement, three firms responded and the award is recommended to the lowest responsible bidder, G & K Services, Justice, II for an amount not to exceed \$65,000 annually for a three year period beginning October 1, 2008 thru September 30, 2011, with a two year renewal option. M/WBE compliance has been met through indirect utilization.

##### 4E Bookstore Operations, District-wide

##### Pulled

4I Amendment to the Intergovernmental Agreement for use and Occupancy of the South Shore Cultural Center between the Chicago Park District and City Colleges of Chicago (amending Board Report #23168) This report is the formal agreement extending the use of the District's Parrot Cage Restaurant and Washburne Culinary Institute, which is currently housed in the CPD's South Shore Cultural Center, onto the outdoor patio space of approximately 1,680 square feet. The terms and conditions of the original agreement remain the same.

**City Colleges of Chicago  
Monthly Micro City Purchases  
August 2008**

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<b>EQUIPMENT LOCATION</b>	<b>COMPUTERS</b>	<b>PRINTERS</b>	<b>SOFTWARE</b>	<b>RELATED EQUIPMENT</b>	<b>MAINTENANCE/ TRAINING</b>	<b>TOTAL PER LOCATION</b>
<i>Richard J. Daley College</i>	\$0.00	\$0.00	\$0.00	\$6,208.00		\$6,208.00
<i>West Side Technical Institute</i>	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
<i>Harold Washington College</i>	\$14,236.00	\$121.00	\$0.00	\$5,931.00		\$20,288.00
<i>Kennedy-King College</i>	\$12,876.00	\$1,520.00	\$9,966.00	\$2,990.00		\$27,352.00
<i>Dawson Technical Institute</i>	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
<i>Malcolm X College</i>	\$21,900.00	\$1,269.00	\$0.00	\$24,033.00		\$47,202.00
<i>West Side Learning Center</i>	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
<i>Olive-Harvey College</i>	\$0.00	\$0.00	\$715.00	\$0.00		\$715.00
<i>South Chicago Learning</i>	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
<i>Harry S. Truman College</i>	\$789.00	\$0.00	\$65.00	\$30,098.00		\$30,952.00
<i>Harry S. Truman Technical</i>	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
<i>Lakeview Learning Center</i>	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
<i>Wilbur Wright College North</i>	\$0.00	\$0.00	\$0.00	\$3,570.00		\$3,570.00
<i>Wilbur Wright College South</i>	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
<i>Humboldt Park Vocational</i>	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
<i>District Office(exclusive of OIT)</i>	\$4,380.00	\$0.00	\$3,312.00	\$2,624.00		\$10,316.00
<i>Office of Information Technology</i>	\$4,509.00	\$374.00	\$136,114.00	\$387.00		\$141,384.00
<b>TOTAL</b>	<b>\$58,890.00</b>	<b>\$3,284.00</b>	<b>\$150,172.00</b>	<b>\$75,841.00</b>	<b>\$0.00</b>	<b>\$287,987.00</b>

October 2, 2008

**City Colleges of Chicago  
Fiscal 09 Year to Date (7/1/08 - 08/31/08)**

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<b>EQUIPMENT LOCATION</b>	<b>COMPUTERS</b>	<b>PRINTERS</b>	<b>SOFTWARE</b>	<b>RELATED EQUIPMENT</b>	<b>MAINTENANCE/ TRAINING</b>	<b>TOTAL PER LOCATION</b>
<i>Richard J. Daley College</i>	\$919.00	\$0.00	\$260.00	\$9,468.00	\$0.00	\$10,647.00
<i>West Side Technical Institute</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>Harold Washington College</i>	\$14,236.00	\$121.00	\$0.00	\$11,654.00	\$0.00	\$26,011.00
<i>Kennedy-King College</i>	\$12,876.00	\$1,520.00	\$9,966.00	\$3,105.00	\$0.00	\$27,467.00
<i>Dawson Technical Institute</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>Malcolm X College</i>	\$21,900.00	\$1,269.00	\$0.00	\$24,148.00	\$0.00	\$47,317.00
<i>West Side Learning Center</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>Olive-Harvey College</i>	\$0.00	\$0.00	\$715.00	\$152.00	\$0.00	\$867.00
<i>South Chicago Learning Center</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>Harry S. Truman College</i>	\$789.00	\$0.00	\$65.00	\$43,698.00	\$0.00	\$44,552.00
<i>Harry S. Truman Technical Center</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>Lakeview Learning Center</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>Wilbur Wright College North Campus</i>	\$0.00	\$0.00	\$0.00	\$4,203.00	\$0.00	\$4,203.00
<i>Wilbur Wright College South Campus</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>Humboldt Park Vocational Educational Center</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>District Office(exclusive of OIT)</i>	\$4,380.00	\$287.00	\$3,312.00	\$3,312.00	\$0.00	\$11,291.00
<i>Office of Information Technology</i>	\$4,509.00	\$374.00	\$202,762.00	\$67,029.00	\$0.00	\$274,674.00
<b>TOTAL</b>	<b>\$59,609.00</b>	<b>\$3,571.00</b>	<b>\$217,080.00</b>	<b>\$166,769.00</b>	<b>\$0.00</b>	<b>\$447,029.00</b>





**Report to the Finance and Administrative Services Board Committee on Actions of the PBCC.**

September 11, 2008

At the September 09, 2008 Regular Meeting of the Board of Commissioners of the Public Building Commission of Chicago no actions relating to the City Colleges of Chicago were taken.