

**Summarization of the February 7, 2008  
 Finance, Administrative Services and Office of Information Technology  
 Committee Minutes**

**2.1.1 TREASURY UPDATE**

**Quarterly investment reports and monthly cash flow report:** The District's Treasurer prepared the quarterly reports that summarize all investments by term, the detailed list of investment securities and the detailed list of District bank accounts. Also enclosed is the FY 2008 Monthly Cash Flow Report with actual results through December 2007 (with close to final estimates for January 2008) for today's meeting. This report covers the District's operating cash and investment fund receipts, disbursements, and balances. Total projected receipts and expenses for Fiscal Year 2008 were essentially unchanged from last months report.

The only major change to the monthly cash flow forecast is the downward revision of the interest rate assumption from 4.25% to 3.5% due to current market conditions. This change lowers the projected investment earnings by \$700,000.

Total cash balances at the end of December were \$115.4 million, down 5.3 million from November's balance of \$120.7 million and above the District's minimum balance goal of \$83 million. Total Operating fund balances, including restricted and medium to long term investments total \$197.1 million, up \$19.5 million from last month's total.

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

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<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	\$ 43.8	\$ 24.4	(\$20.4)	\$ 9.5
Shor-term	0.0	29.7	5.0	0.0	24.7
State Treasurer	110.3	36.1	40.5	0.0	105.9
Subtotal Cash	\$120.8	\$ 109.6	\$ 69.9	(\$20.4)	\$140.1
Restricted	0.9	.0	-0-	-0-	.9
Medium-Long	56.0	2.0	2.0	-0-	56.0
<b>Total Operating</b>	<b>\$177.7</b>	<b>\$ 111.6</b>	<b>\$ 71.9</b>	<b>(\$20.4)</b>	<b>\$197.0</b>

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

**2.1.2 BUDGET/FINANCE UPDATE**

**Budget Update** – Initial planning and preparation of the FY 2009 Budget process is underway. The budget office has:

- Prepared cost estimates for negotiations with Local 399;
- Reviewed child care program financial issues and plan for next steps;

## **FINANCE – CONTINUED**

- Updated the financial forecast;
- Prepared the FY 2009 budget development planning calendar and presented to Officers of the District, including tuition and fee recommendations;
- Participated in PeopleSoft Phase 2 planning meetings;
- Reviewed draft of property tax allocation methodology and recommended changes;
- Began analysis of all district office salaries;
- Reviewed all new requests for positions (RFP)..

**Student Financial Assistance** – During January 2008, Student Financial Assistance staff generated and mailed approximately 25,000 1098T and issued approximately 1,000 student refund checks..

**PeopleSoft Financial System Upgrade** - The Finance Office is working 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. .

## **AUDIT STATUS**

### **External audit status:**

- Meet with external audit team to evaluate the FY 2007 audit process;
- The FY 2007 ICCB required credit hour reimbursement audit was returned by ICCB due to a new dual credit and dual enrollment reporting requirement. The Finance Office expects Deloitte & Touche's revised opinion tomorrow. Most Illinois community colleges missed this new requirement in their submissions to ICCB;
- The FY 2007 Federal single audit work has been completed. The audit is being reviewed by Deloitte & Touche LLP's Senior Manager. It will be filed before the March 31, 2008 due date.
- The FY 2007 Illinois Department of Human Services' FY 2007 "in-relation to" review is in progress. This is the second year the District has been required to do this review. The auditor Hill & Taylor will begin test work this week. The Finance Office will seek to recover the cost of the audit from IDHS or the grant.
- The FY 2007 annual Treasury Agreed Upon Procedures review still underway.

### **Controller's Activities.** Working on multiple 2007 ICCB filings including:

- Resubmitting the Dual Credit and Dual Enrollment Report;
- Submitting the S-3 Credit Hour Reimbursement transmission. The initial transmission failed due to record layout errors;
- Preparing the FY 2007 annual financial statements for newspaper publication. The report will be published in the Sun-Times on Monday, February 11, 2008.
- Completing the final FY 2007 UFRS reconciliation. Should be completed by Friday, February 8, 2008.
- Completing the final review of the Unit Cost Reconciliation and targeting submission to ICCB on February 13, 2008;

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

- Received Board approval for 15 agenda items at the January Board meeting;
- Requesting approval for 16 board items for the February Board meeting;
- Processed 62 purchase orders over \$5,000 with total expenditures in the amount of \$3,3 million.
- The current Bid schedule includes the following items:

Dept/Campus	Contract	Status
Admin Services	Acoustical Ceiling Replacement at Wright College	Ad 1/25-Bids due 2/14 /2008
Academic Affairs	Web-Based Management System for continuing Education and Business & Industrial Services	Ad 1/30-RFP due 2/13 2008
District Wide	Pre-Sort, Print and Mail Services	Drafting RFP
District Wide	Promotional Items	Drafting RFP
Office of Development	Design and Printing Services	RFP Draft-Ad-1/16
Admin Services	District Wide Site Upgrades	Sealed Bid-Ad-1/16
Wright College	Lockers for Pool Locker Room	Bid Draft-Ad- 1/18

In January 2008, the Accounts Payable team has:

- Processed a total of 3,202 vouchers for vendor payment;
- Mailed 348 1099-Misc Vendor Forms to all eligible recipients;

**Micro City Purchases** - The District's December 2007 monthly Micro-City purchases report includes both monthly and year-to-date information. The total December 2007 Micro City purchases were about \$212,000, down \$476,000 from last month's expenditures of \$688,000. The six month year-to-date totals were approximately \$1,944,000.

<u>EQUIPMENT</u>	<u>December 2007</u>	<u>Year to Date</u>
Computers	\$ 24,450	\$ 448,022.
Printers	1,346	49,708
Software	7,210	294,789
Related Equipment	<u>179,051</u>	<u>1,151,555</u>
Total	\$ 212,057	\$1,944,074

### 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 one resolution in the January 2008 Board folder before the board:

Resolution 1A– authorizes the routine transfer of approximately \$1.5 million during the month of January 2008.

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

(Walk on report) - is an Intergovernmental Agreement with City's Department of Environment and Wright College to provide training for Environmental Technology Program.

### **Section 4 - Agreements**

There are twelve (12) agreements on today's agenda and one (1) walk on reports:

- 4A - is an agreement with **Architects Enterprise Ltd.** to provide the necessary design and bid documents in order to competitively bid the new entrance and parking lot at Olive-Harvey College at a cost not to exceed \$74,360. (ADMINISTRATIVE SERVICES)
- 4B - amends the contract with **System Development Integration, Inc.** for the CCTV security cameras commissioning services, approved at last months board meeting, to add \$79,000 to the contract for a total amount not to exceed \$199,000. (ADMINISTRATIVE SERVICES)
- 4C – is a professional services agreement with **Deloitte & Touche** through June 30, 2009 for the multiple FY2008 annual audit service requirements in an amount not to exceed \$763,000 as identified for FY 2008 Audit . (OFFICE OF FINANCE)
- 4D - amends the existing agreement with **Deloitte & Touche, LLP** to include the additional fees in the amount of \$24,000 for additional scope for the FY 2007 audit to include fraud testing for the Foundation, correction of prior year. Statement of Cash Flow, tuition and fees/student receivable testing, more sample testing for the single audit on financial aid, and the response to the inquiry from U.S. Department of Education for the TRIO program increasing the total FY 2007 audit services fees to \$721,400. (OFFICE OF FINANCE)
- 4E - is an agreement with **JP Morgan Chase**, to provide Banking and ATM Services in the period beginning July 1, 2008 until June 30, 2011 with the option to extend services for an additional two (2) year period, in an amount not to annually exceed \$47,586 in accordance with the specifications of RFP# DT0711 dated October 29, 2007 (OFFICE OF FINANCE)
- 4F - is an agreement with **Bank of America** to provide Credit Card processing services for all Colleges and District for the period of April 30, 2008 through April 30, 2011 with an option to extend services for an additional two (2) one (1) year periods in accordance with RFP# SC0738 dated November 16, 2007 with an estimated annual cost of \$250,000 which includes fees paid to MasterCard and Visa based on volume. (OFFICE OF FINANCE)
- 4G – is an agreement with **Expertise Travel Services** for the period of February 7, 2008 through February 7, 2010 at standard fees of \$28.00 for domestic reservations and \$40.00 for international reservations including authority to incur costs for airline and hotel arrangements for a total not to exceed annual cost of \$200,000 with an option to renew for two additional years. (OFFICE OF FINANCE)
- 4H - an agreement with **Rogers Park Community Development Corp** for the period of February 7, 2008 through February 7, 2011 with an option to renew for two additional years, in an amount not to exceed \$10,000 annually in accordance with RFP #SC0739 dated December 10, 2007. (HUMAN RESOURCES)
- 4I- an agreement with Liebert Global Services to provide maintenance services for the Liebert UPS system from February 18, 2008 through February 17, 2011 in an amount not to exceed \$34,461.00. (OFFICE OF INFORMATION TECHNOLOGY)

## **FINANCE – CONTINUED**

### **Section 6 – Purchases**

There is one (1) purchase reports for today's meeting:

- 6A - approves a purchase order in the amount of \$2,150 beginning February 1, 2008 through June 30, 2008 for two additional administrative parking spaces at **InterPark Traders Self Park Garage**, Chicago. (ADMINISTRATIVE SERVICES)
- 6B – approves payment ratification to **REO MOVERS** for old Kennedy-King College furniture and equipment moving services at a cost not to exceed \$30,825. (ADMINISTRATIVE SERVICES)
- 6C - approves a purchase order to **Michael Roberts Enterprises, Inc.** (dba Chicago Northside Toyota) for the total amount not to exceed \$51,904.00 for the purchase of two 2008 Toyota Prius' vehicles. (ADMINISTRATIVE SERVICES)
- 6D - approves the issuance of purchase orders to **AAA Rental System**, Harvey, IL for the district wide rental of furniture and/or accessories in an annual amount not to exceed \$70,000 for the period of February 9, 2008 through February 28, 2011 as per the City of Chicago Contract no. 11148 and modified under Contract no. 11481 and 11482 effective February 7, 2007 through February 28, 2011. (DISTRICTWIDE)
- 6E- approves a purchase order to **Sutton Ford** for the purchase of the 2008 Super Duty 4x4 pickup truck with snow plow, salt spreader, and standard light bar in an amount not to exceed \$25,783 for Kennedy-King College and in an amount not to exceed \$25,783 for Olive-Harvey in accordance with the specifications of Sealed Bid # DT0710 dated October 31, 2007. (OLIVE-HARVEY & KENNEDY-KING)
- 6F- (withdrawn) a purchase order to **Action K-9 Security Inc.** Chicago, IL for the purchase of canine security services at the old-Kennedy -King for an amount not to exceed \$54,631.95 in accordance with the specifications in #DT0715 dated December 18, 2007. (KENNEDY-KING)
- 6G –approves the payment ratification of \$9,774 for expenses incurred from July 1, 2007 through January 31, 2008 and the issuance of a purchase order in the amount of \$9,750 for five administrative parking spaces from February 1, 2008 to June 30, 2008 at **Interpark Self Park Garage**, 20 E. Randolph Street, Chicago. (HAROLD WASHINGTON)

### **Section 7- Informational Reports**

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

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

**FINANCE - CONTINUED**

CAMPUS/DEPT.	VENDOR	AMOUNT	DESCRIPTION
District-Wide	AT&T Inc.	\$32,383.03	Utilities
District-Wide	Qwest Communication	\$1,053.14	Utilities-Long Distance Service
District-Wide	People Energy Services	\$84,548.28	Utilities
Kennedy King College Harold Washington College Olive Harvey College	United States Postage	\$20,422.96	Postage
Kennedy King College Olive Harvey College Wright College	Pitney Bowes	\$7,173.91	Postage and Maintenance
District-Wide	Office Depot	\$12,186.79	Purchase of Office Supplies from Illinois Community College System Purchasing Consortium (ICCSPC)
Kennedy King College Harold Washington College Olive Harvey College	Magnetic Office Product	\$14,195.98	Purchase of Office Supplies from Illinois Community College System Purchasing Consortium (ICCSPC)
Kennedy King College	Corporate Express	\$665.11	Purchase of Office Supplies from Illinois Community College System Purchasing Consortium (ICCSPC)
Kennedy King College Malcolm X College Truman College	Centennial Contractors Enterprises Inc.	\$417,118.59	Contracting Services from Illinois Community College System Purchasing Consortium (ICCSPC)
Daley College Truman College Wright College	Grainger	\$2,089.36	Hardware Supplies from Illinois Community College System Purchasing Consortium (ICCSPC)
District Office	Xerox Corporation	\$252.00	Maintenance Service
Olive Harvey College Truman College Wright College	Praxair Distribution Inc.	\$688.39	Cylinder Rental Service from Illinois Community College System Purchasing Consortium (ICCSPC)
Wright College	Jostens	\$6.10	Graduation Cap & Gown Purchase/Rental Services from Illinois Community College System Purchasing Consortium (ICCSPC)
Wright College	Data Media Products	\$927.42	Purchase of Computer Supplies from Illinois Community College System Purchasing Consortium (ICCSPC)
Truman College	3M	\$591.00	Purchase of Library Supplies from Illinois Community College System Purchasing Consortium (ICCSPC)
Truman College	Brodart Co	\$90.00	Purchase of Library Supplies from Illinois Community College System Purchasing Consortium (ICCSPC)
Truman College	Burgoon Company	\$702.80	Purchase of Scientific Equipment and Supplies from Illinois Community College System Purchasing Consortium (ICCSPC)
Washburne Culinary Institute	ThyssenKrupp	\$505.88	Maintenance Service from Illinois Community College System Purchasing Consortium (ICCSPC)
Harold Washington College Malcolm X College Olive Harvey College	Fisher Scientific	\$2,839.98	Purchase of Scientific Equipment and Supplies from Illinois Community College System Purchasing Consortium (ICCSPC)

## **Administrative Services**

### **4A - Architectural and Engineering Services for the New Entrance and Parking Lot for Olive Harvey College**

Plans were originally started with the Public Building Commission (PBC) to construct a vehicular opening on 103<sup>rd</sup> Street directly into the Olive-Harvey Campus, bypassing the current entrance road. The District is reinitiating the project and recommends contracting with Architect's Enterprise, Chicago, IL a certified MBE, that had completed and been paid for close to 70% of the initial phase. The selection was based on a competitive process initiated and verified by PBC. Authorization is requested for an amount not to exceed \$74,360 and the proposed M/WBE compliance meets the District's Plan.

### **4B - Amendment to Board Report #28420 for District-wide Video Security and Surveillance Commissioning**

The amount submitted on the initial Board Report inadvertently listed the incorrect dollar figure that was included in SDI's proposal response. Instead of \$120,000 submitted, the accepted proposal was \$199,000. SDI, Chicago, IL is still the lowest priced responsive vendor that was evaluated for the award.

### **6A - Parking Spaces for the District Office**

Administrative Services is submitting an increase in the number of parking spaces to accommodate the two vehicles being purchased today for the Inspector General's Office, increasing the current agreement by \$2,150 for twenty spaces from InterPark Traders Self Parking Garage.

### **6B - Ratification Payment to REO Movers**

Administrative Services worked with the seven colleges to select from the remaining furniture and equipment inventory left in the Old Kennedy-King facility items that could be used in their campuses. An informal bid process identified REO Movers, a certified MBE, located in Chicago, IL twice as the lowest priced mover. With a proposed estimate under \$10,000, schools utilized their services. At the end of the move, invoices totaled \$30,825, moving over \$1,082,075 into the other buildings. A competitive bid will be prepared and all future moves will be done by the Board approved lowest bidder. Ratification of \$20,825 is submitted for approval today.

### **6C -Vehicle Purchase for the Inspector General's Office**

The Inspector General's Office is purchasing two hybrid Toyota Prius's through competitively bid City of Chicago contracts from Northside Toyota, Chicago, IL for an amount not to exceed \$51,904. The City's M/WBE compliance goals were met.

### **6F - Canine Security for Old Kennedy-King College Pulled**

Administrative Services worked with Procurement Services to solicit canine security firms to patrol the empty premises.

## **Project Updates**

### **New Kennedy-King**

Down to 26 Punch list items that Administrative Services still views as critical. It is our understanding that the project CM, McClier, refused to redo the Child Care restroom facility to install child-sized toilets, so PBC received a

bid from their JOC contractor, the Gordian Group, and a work order has been issued and coordination is occurring with on-site KKC staff.

## **Administrative Services-continued**

### **Old Kennedy-King Building**

The City of Chicago's Department of Planning and Development has notified Administrative Services that the Engineering Report on the Adaptive Re-Use of the Vacant College will not be finalized until February 15, 2008.

During such time, the District continues to handle the security and maintenance of the facility and will continue to work with the City to determine future ownership and use of the property.

### **Truman Student Services & Parking Facility**

City Colleges is continuing its negotiations with the CTA for the land adjoining the proposed mixed use facility proposed by the District and Capital Development Board. The terms being discussed include the spaces available for the CTA's Park and Ride Program and the sale price of the land. Upon acceptance of terms, the CTA will provide a letter of intent for City Colleges to proceed with submittal of a PUD to the Chicago City Council to begin construction. The Board of Trustees will be kept informed of the progress.

### **Ongoing Projects**

Daley's Master Planning Project is nearing completion and will be ready for presentation to stakeholders.

Malcolm X is also near completion of the plans from Rada Architects for the renovation of the 1<sup>st</sup> and 2<sup>nd</sup> floors.

Science and Nursing Laboratory renovations are in various stages of completion at Truman, Harold Washington and Kennedy-King Colleges.

Bathroom Automation and the Closed Circuit Security Camera projects are still ongoing throughout the District and on schedule.

The FY2009 Capital Plan and Facilities Maintenance Planning process will begin in March, 2008.

Utility expenditures for the District are at this point still within the budgeted estimates with the exception of the electrical costs at the Kennedy-King Campus. Administrative Services is currently looking at the circumstances involving the overages.

## **OFFICE OF INFORMATION TECHNOLOGY:**

OIT has one agreement for your approval this month:

Item 4I is a maintenance service agreement for the Liebert Uninterruptible Power System that provides uninterruptible electric power to all the critical equipment in the main computer room including the PeopleSoft production servers, the main connection to the internet for all sites and routing equipment between the colleges and District Office. The term of the agreement is for the period February 18, 2008 through February 17, 2011 at a cost not to exceed \$34,461.00.

In the month of January, we experienced another successful open registration period. Early in the week during open registration we experienced some system latency issues that were quickly resolved. We also experienced the majority of a day during registration where our systems were down because of shadow jobs that were running against our production system. Although not immediately evident to us we were able to discover the problem and return our system to normal operation. We also documented the problem in an effort to mitigate the possibility of that problem occurring again. I'd like to take this opportunity to thank our college presidents and their staff for their patience, understanding, and flexibility in finding alternate ways to serve our students while the system was down.

In addition, to supporting registration, OIT worked with the Finance and HR Departments in processing W-2s, 1098Ts, and 1099s. All of these jobs are complete and have been disbursed on-time.