

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

CAFETERIA AND VENDING SERVICES
ALL COLLEGES AND DISTRICT OFFICE
ADMINISTRATIVE SERVICES

(Amend Board Report # 28013 Adopted May 3, 2007 for Additional Authority and Payment Ratification)

THE CHANCELLOR

REPORTS

that in Board Report # 28013 adopted May 3, 2007 the Board of Trustees approved an agreement with Compass Group, Elmhurst, Illinois to provide District-wide cafeteria and vending services from July 1, 2007 through June 30, 2012 with an option to extend for an additional 2-year period in accordance with RFP#SC0618 dated October 17, 2006; and

that RFP#SC0618 included a request for services for Catering and Special Events, including food and beverage services for CCC-sponsored functions such as banquets, receptions, refreshment service, conferences or other special events upon request by CCC; and

that Compass Group's Proposal included catering services; and

that Compass Group submitted the most favorable proposal making the following commitments to CCC:

- 1) Provide \$150,000 annually, paid in advance each year on the contract award date
- 2) Provide a \$250,000 capital investment for upgrades as mutually determined by CCC and Compass Group
- 3) Provide 4% commission on all vending sales
- 4) Provide raw and cooked food for the Child Development Program and Washburne Culinary Program at cost plus 2% for handling, Compass Group allows CCC to use their purchasing power discount to purchase food items at much lower prices
- 5) Catering and Special Events upon request for rates negotiated on an event basis.

that Board Report #28013 did not explicitly reference the award of catering services; and

that the fully executed written agreement entered into between Compass Group and CCC included catering services upon request for rates negotiated on an event basis; and

that pursuant to the above Compass Group's catering services have been requested and utilized by the Colleges since the above contract award; and

that in light of above the Department of Administrative Services hereby requests Board Report #28013 be amended to explicitly reference the award for catering services upon request by CCC; and

that pursuant to the above the Department of Administrative Services hereby requests a payment ratification for the district-wide catering services rendered by Compass Group pursuant to RFP#SC0618 in the amount of \$225,000; and

that at present, it is estimated that additional funds for district-wide catering services rendered by Compass Group will be needed in the annual amount of \$250,000; and

that in Board Report #28013 an amount of \$210,000 was also approved for the provision of raw and cooked food for the Child Development Program, however due to the elimination of summer camps and other state funded activities a loss of revenue (which was used to help offset the Child Development Program because the cafeterias are closed during the summer months and during winter break) has necessitated a request for an additional annual subsidy in the amount of \$42,000 to offset the program due to the fluctuation in enrollment patterns at the campuses; and

that RFP#SC0618 also included “grab and go” cafeteria options including Outtakes wall malls and kiosks stations; and

that Compass Group’s Proposal included “grab and go” cafeteria options including Outtakes wall malls and kiosks stations; and

that the fully executed written agreement entered between Compass Group and CCC included “grab and go” cafeteria options including Outtakes wall malls and kiosks stations; and

that pursuant to the above during the Fall 2007 semester, Outtakes wall malls and kiosks stations were installed at five campuses to provide a service to our students, faculty and staff to operate food services during the summer months, winter breaks, and during the hours that the cafeteria is closed. Outtakes wall malls and kiosks stations are a “grab and go” concept offering freshly made salads, sandwiches, and healthy options, with Compass Group providing the labor and product costs. At the installation of these units, opening costs associated with the purchase of smallwares and equipment were needed to operate the Outtakes and losses were incurred from September 2007 through June 30, 2009 in the amount of \$290,000; and that the expectation was that any commissions payable to CCC would offset any losses; and

that at present it is estimated that there will be an annual shortfall in the amount of \$160,000 with respect to Outtakes wall malls and kiosks stations, which has necessitated a request for an additional annual subsidy in the amount of \$160,000 to offset the losses; and

that the Office of M/WBE Contract Compliance had previously reviewed the above referenced agreement with the Compass Group and determined that Compass Group was in compliance with the Board approved Participation Plan and has affirmed that Compass Group continues to be in compliance.

THE CHANCELLOR

RECOMMENDS

that the Board of Trustees authorizes the following: the amendment of Board Report # 28013 to explicitly reference the award to Compass Group, Inc. for catering services upon request by CCC, a payment ratification in the amount of \$225,000 and additional funds in the amount of \$250,000 annually for district-wide catering services rendered by Compass Group pursuant to RFP#SC0618, additional funds for an annual subsidy in the amount of \$42,000 for the Child Development Program and a payment ratification in the amount of \$290,000 for losses associated with the installation of five Outtakes wall malls and kiosks stations and associated opening expenses for smallwares and equipment from September 2007 through June 30, 2009, additional funds for all Outtakes wall malls and kiosks stations in the amount of \$160,000 annually for the previously approved contract period of July 1, 2007 through June 30, 2012 with an option to extend for an additional 2-year period in accordance with RFP#SC0618 dated October 17, 2006.

FINANCIAL

\$150,000 - Various Campuses 499204 -Revenue Auxiliary Activities Fund Account
\$50,000 - Various Departments -00003-00069-00000-00000000-499204 Revenue Vending Machines
\$210,000 - Child Development Program- Expense Account-- ISBE-CACFP Grants
\$42,000-additional funds- Child Development Program- Expense Account-- ISBE-CACFP Grants
\$160,000-additional funds- Outtakes and Wall Malls - Various Campuses Expense Account-00003
\$250,000-additional funds- Catering Services - Various Campuses-Expense Account-00003
\$225,000- Payment Ratification –Catering Services – Various Campuses
\$290,000 – Payment Ratification – Outtake Malls and Kiosk Stations- Various Campuses

Respectfully submitted,

**Wayne D. Watson
Chancellor**