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ADOPTED - BOARD OF TRUSTEES
COMMUNITY COLLEGE DISTRICT NO. 508
JANUARY 7, 2009

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

Amendment
Nelnet Business Solution formerly (FACTs Management Co.)
PAYMENT PROCESSING SERVICES
OFFICE OF FINANCE
ALL COLLEGES
(Amend Board Report No. 28231, Adopted August 9, 2007)

THE CHANCELLOR

REPORTS

that in Board Report No. 28231 adopted August 9, 2007, approval was given for Nelnet Business Solutions (NBS) to provide payment processing services to students who desire to enter into a payment plan to pay tuition and fees; and

that currently NBS is providing students from Malcolm X College, Truman College, Harold Washington, Olive Harvey College, Kennedy King College, and Daley College with no interest partial payment plans using easy on-line enrollment; and

that Nelnet Business Solutions has been providing flexible payment options for the on-line partial payment plan services, including automatic bank (ACH) debit, (e-cashier) and credit card - Master Card and accepting Visa effective Spring 2008; and

that Board Report No, 28231 reflected that payment processing services would be at no cost to the District; and

that Board Report No, 28231 must be corrected to reflect the District's payment of certain transaction fees as detailed in the following; and

that the fully executed contract already reflects these payment obligations; and

that currently the City Colleges of Chicago (CCC) accepts VISA and MasterCard as a form of payment from students who are paying over the counter and who are not utilizing the Nelnet payment plan and that CCC as a merchant pays the transaction fees to the credit card companies for accepting credit cards as a form of payment; and

that with the addition of the VISA card for payment plans transaction fees can no longer be charged to the card holders for Visa or Mastercard; and per our agreement Nelnet will pay the transaction fees to the credit card companies on behalf of CCC; that Nelnet will bill CCC for the reimbursement of the fees paid on its behalf on a monthly basis; and

that Nelnet will assess students a non-refundable application fee of \$30, \$5 of which shall be sent to CCC to cover a portion of the transaction fees and that these changes are already provided for in the current contract and are summarized as follows:

- NBS remits to CCC \$5 of the \$30 application fee paid to NBS by the students to cover a portion of the discount fee paid to credit card companies; and therefore additional money to pay the remaining fees needs to be appropriated; and

that there is a need for an authorization and a ratification of the transaction fees paid and to be paid to NBS for the total amount of \$26,439.62; and

that there is a need to authorize additional transaction fees for Fiscal Year 2009 estimated to be as follows: Malcolm X-\$6,000, Truman-\$20,000, Harold Washington- \$30,000, Olive Harvey- \$6,500, Kennedy King-\$3,000, and Daley- \$3,000; and

that the total amount of \$94,939.62, will ensure that the colleges will have adequate spending authority to reimburse Nelnet for the remainder of the fiscal year as needed; and

that the Office of M/WBE Contract Compliance has reviewed the above referenced payment processing services agreement and since these services are a continuation of previously approved agreements, and since there are no certified MBE or WBE vendors capable of providing these services, it is recommended that a waiver from compliance with the Board approved Participation Plan be granted.

THE CHANCELLOR

RECOMMENDS that the Board of Trustees approves the above listed amendment to Board Report No. 28231 (as already provided for in the contract with Nelnet Business Solutions) to include an amount not to exceed \$94,939.62 for the payment of the discount fees paid on behalf of CCC with all terms and conditions to remain the same for the period of the existing three-year contract, August 1, 2007 through July 30, 2010 with an option for an additional 2 years.

FINANCIAL \$94,939.62-Variou Colleges and various accounts.

Respectfully Submitted,

Wayne D. Watson
Chancellor

January 7, 2009 - Office of Finance-District Wide