

**31074**

**ADOPTED – BOARD OF TRUSTEES COMMUNITY**

**COLLEGE DISTRICT NO. 508**

**JULY 14, 2011**

**BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508**

**COUNTY OF COOK AND STATE OF ILLINOIS**

**ELECTRONIC PAYMENT CARD SERVICES**

**OFFICE OF FINANCE**

**DISTRICT OFFICE**

**THE CHANCELLOR RECOMMENDS:**

that the Board of Trustees authorizes the Chairman to execute a 3 year District-Wide agreement with an option to extend for an additional two (2) year period with U.S. Bank Corporation to provide electronic payment card services for the period from July 7, 2011 through June 30, 2014 at no cost to the District.

**VENDOR:** U.S. Bank National Association ND  
Corporate Payment Systems  
200 South Sixth Street  
Minneapolis, MN 55402

**USER:** Office of Finance

**TERM:**

The term of the agreement shall commence on July 7, 2011 and shall end on June 30, 2014 with an option to extend for an additional two (2) year period.

**SCOPE OF SERVICES:**

U.S. Bank will provide City Colleges with electronic payment card services, utilizing a virtual credit card for vendor payments, that is cost effective, flexible and user friendly with strong security, antifraud and reconciliation features that includes: 1) robust online reporting; 2) a rebate incentive program; 3) An on-going marketing and enablement process to expand the use of the virtual card as a form of payment across City Colleges' vendors/suppliers; and 4) 24 x 7 customer service which will include technical and functional user training and vendor training.

**BENEFIT TO CITY COLLEGES OF CHICAGO:**

This solution will enable the District to pay vendors electronically, via a virtual credit card, eliminating the cost of printing, mailing and reconciling a check. This credit card payment process is highly secure and will help prevent and deter potential fraud since each payment has a unique single use account number that is authorized for the exact payment amount for 30 days and can only be used by the vendor receiving the payment. In addition, City Colleges will earn an annual incentive rebate based on payment volume that is tied to a Higher Education payment consortium which translates to an additional rebate as the Consortium grows.

**VENDOR SELECTION CRITERIA:**

Specifications were prepared by District Procurement Staff and a Request for Proposal (RFP) #MWJ1101 was publicly advertised on March 4, 2011. Sixteen (16) companies were contacted. Eight (8) companies responded to the RFP March 28, 2011: 1) American Express Company, 2) Bank of America N.A. and FIA Card Services, N.A.; 3) BMO/Harris Spend & Payment Solutions; 4) Citibank; 5) Fifth Third Bank; 6) J.P. Morgan Chase; 7) PNC Bank, N. A. and 8) U.S. Bank National Association ND.

All qualifications were reviewed, evaluated and ranked by staff which included Office of Finance, Truman College, Procurement Services and Office of MBE/WBE Contract Compliance.

The evaluation criteria included:

1. Firm’s proposed qualifications and experience
2. Proposer’s plan of action in the execution of the requested services.
3. Internal controls, regulatory compliance, security processes and reporting capabilities
4. M/WBE compliance
5. Cost of service, if applicable

Oral presentations were conducted by the top three (3) highest ranked responsive firms; 1) U.S. Bank National Association ND; 2) J.P. Morgan Chase; and 3) Citibank. Based on the composite evaluation scoring, the committee recommends U.S. Bank National Association ND to provide the electronic payment card solution for City Colleges of Chicago. The award is based on U.S. Bank National Association ND strength of their government and higher education experience and services, their overall solution and their high incentive rebate program.

**MBE/WBE COMPLIANCE:**

The Office of M/WBE Contract Compliance has reviewed the above responses and, where as there is no opportunity to subcontract direct participation on this project, U.S. Bank does contract with locally certified MBE and WBE vendors on other projects for indirect participation (confidential documentation is on file), in compliance with the Board Approved Participation Plan.

<b>MBE Vendor:</b>	Troy Group 233 E. Erie Chicago, Illinois 60611	Indirect participation	City/CMSDC Certification
	Johnson Blumberg & Associates 230 W. Monroe Chicago, Illinois 60606	Indirect participation	CMSDC Certification
	Cleaner Living Service 1440 Maple St. Lisle, Illinois 60532	Indirect participation	CMSDC Certification
	USM Logistics 7790 Quincy Willowbrook, Illinois 60527	Indirect participation	CMSDC Certification

**WBE Vendor:** Classical Marketing                      Indirect participation                      WBDC Certification  
150 Martingale Rd.  
Schaumburg, Illinois 60173

Raindance Advertising                      Indirect participation                      WBDC Certification  
100 River Rd.  
Fox River Grove, Illinois 60021

**GENERAL CONDITIONS:**

Inspector General – It shall be the duty of each party to the agreement to cooperate with the Inspector General for City Colleges of Chicago in any investigation conducted pursuant to the Inspector General’s authority under Article II, Section 2.6.4(b) of the Board Rules for Management and Government.

Ethics – It shall be the duty of each party to the agreement to comply with the applicable provisions of the Board’s Ethics Policy adopted January 7, 1993, and as amended by the Board.

**FINANCIAL:**

Revenue Generating Contract – Incentives are based on volume and amount of payments.

**Respectfully submitted,**

**Cheryl L. Hyman  
Chancellor**

**July 14, 2011 - Office of Finance – District Office**