

30916
ADOPTED- BOARD OF TRUSTEES COMMUNITY
COLLEGE DISTRICT NO. 508
FEBRUARY 23, 2011

BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508
COUNTY OF COOK AND STATE OF ILLINOIS

BANKING SERVICES – OPTION TO RENEW
DISTRICT – WIDE

THE CHANCELLOR RECOMMENDS:

that the Board of Trustees authorizes the Chairman to execute the option to renew the agreement with JPMorgan Chase (Chase) to provide optimal Banking Services for the period from July 1, 2011 through June 30, 2013 in an amount not to exceed \$110,000 annually.

VENDOR: JPMORGAN CHASE
10 South Dearborn
Chicago, IL 60603

USER: Daley College
District Office
Harold Washington College
Kennedy King College
Malcolm X College
Olive Harvey College
Truman College
Wright College

ORIGINAL TERM OF AGREEMENT:

The original term of the agreement commenced on July 1, 2008 and shall end on June 30, 2011.

OPTION/RENEWAL TERM:

The option to extend services shall commence on July 1, 2011 and shall end on June 30, 2013.

SCOPE OF SERVICES:

The scope of services includes maintaining an Operating Account that serves as a funding source for all disbursing; zero balance depository accounts that sweep balances at the end of to the Operating Account; controlled disbursement accounts with positive pay and full reconciliation services for vendor, federal /state taxes; student refund payments and direct deposit of payroll payments; a Department of Education Account (Financial Aid Title IV Account) where transfers for various government sponsored grants and tuition assisted programs are directly deposited, online access for cash/balance information reporting; online money transfer services; electronic stop payments; online bank statements; and check imaging/retrieval services.

BENEFITS TO CITY COLLEGES OF CHICAGO:

Benefits derived from implemented services include:

- Zero Balance Depository Accounts whereby cash, checks, various governmental grant and student payments are directly deposited into each College's respective account and at the end of the day funds are swept to the General Operating Account. Depositing directly into the

Depository account adds efficiency by enabling departments/colleges to know (through Chase online system) when payments are received helps with the reconciliation process. Additionally, funds swept to the Operating Account and not needed for funding or compensating balance purposes are invested.

- Electronic payments through direct transmission to the bank allows for a safe, secure, convenient and inexpensive way to pay employees and vendors. Payments include - Direct Deposit of Payroll, Vendor and Child Support Payments.
- Controlled Disbursement Account Services enables CCC to know funding requirements before 9:00 a.m. each morning.
- Payee Positive Pay Services helps to eliminate check fraud and identify if a payee name has been altered.
- Online Stop Payment allows the status of a check to be viewed and if necessary, a stop payment initiated.
- Online Cash/Balance Information Reporting allows CCC departments and Colleges to know when payments are received, the availability of funds, and helps with the reconciliation process.
- Money Transfer Services (Treasury Department Only) allows transfer between accounts for funding purposes, ACH vendor payments and Fed wire payments.
- Electronic Bank Statements for the prior month are available the beginning of the following month.
- Image Deposit Direct Service scans checks and transmits the images to the bank for next day availability of the funds. Check information is retained for two years.
- Coin and Currency Services for the restaurants.
- Long Term Check Image Retrieval that allows retrieval of check images up to seven year, this service is especially useful during audit periods.

VENDOR SELECTION CRITERIA:

Specifications were prepared by District Procurement staff and publicly advertised on November 1, 2007. A Request for Proposal (RFP) DT0711 was sent to (21) twenty-one firms, and a pre-proposal conference was conducted on November 8, 2007 to ensure that the District was receiving the optimum level of service at a competitive price. Eight (8) banks: Charter One, Shore Bank, US Bank, Citibank, JP Morgan Chase, Harris, Bank of America/LaSalle and Fifth Third submitted proposals on November 28, 2007.

The submitted proposals were evaluated and qualified based on the evaluation criteria contained in the RFP by a committee including Finance, Risk Management, M/WBE and college staff. Based on the highest rankings in responsiveness, qualifications, experience and cost to CCC and students, the committee recommended the acceptance of the proposal from Chase to provide Banking Services for the period beginning July 1, 2008 through June 30, 2011.

MBE/WBE COMPLIANCE:

The Office of M/WBE Compliance has reviewed the above option to renew the agreement and Chase continues to utilize a certified MBE/WBE electrical firm for direct services and provides indirect participation through its Emerging Markets initiative with deposits in smaller minority operated financial institutions to strengthen lending opportunities to communities and underutilized areas, remains in compliance with the Board Approved Participation Plan.

MBE Vendor: Pace Systems Cook County Certification
2040 Corporate Lane Electrical
Naperville, IL 60563

WBE Vendor: Cable Communications Cook County certification
6200 Oakley Electrical
Chicago, IL 60636

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:

JPMorgan Chase shall be paid in an amount not to exceed \$110,000 annually for the renewal term of the contract.

Charge To Department: Business Department, Various Colleges
Source of Funds: Education Fund

FY12: 00003-Various Departments-00082-00000-0000000-594320: \$110,000
FY13: 00003-Various Departments-00082-00000-0000000-594320: \$110,000

Respectfully submitted,

**Cheryl L. Hyman
Chancellor**

February 23, 2011 - March 2011 Board Meeting – Office of Finance – District Office