

**31841**  
**ADOPTED - BOARD OF TRUSTEES**  
**COMMUNITY COLLEGE DISTRICT NO. 508**  
**MAY 2, 2013**

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

**BANKING SERVICES**  
**JPMORGAN CHASE**  
**(AMENDMENT TO BOARD REPORT 30916 ADOPTED FEBRUARY 23, 2011)**  
**OFFICE OF FINANCE**  
**DISTRICT - WIDE**

**THE CHANCELLOR RECOMMENDS:**

that the Board of Trustees authorizes the Chair to execute an amendment to the agreement with JPMorgan Chase requesting an additional \$25,000 to fund expanded banking services that have facilitated District wide efficiencies, including outsourced check printing and the automation of file transmissions, for the remaining contractual period from May 1, 2013 to June 30, 2013.

**VENDOR:** JPMorgan Chase  
10 South Dearborn  
Chicago, Illinois 60603

**USER:** District-wide

**ORIGINAL TERM:**

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

**OPTION/RENEWAL TERM:**

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

**SCOPE OF SERVICES:**

Pursuant to Board Report 30916 adopted on February 23, 2011, JPMorgan Chase was authorized to provide the following services: maintenance of 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 for a total cost not to exceed \$110,000 for the contract term.

Since June 2012, City Colleges of Chicago has implemented new electronic banking services and upgrades that have facilitated district-wide efficiencies and operational improvements. These enhancements, which include outsourced check printing and distribution and electronic file automation, have resulted in an increase in fees for banking 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. Depository accounts add efficiency by enabling departments/colleges to know (through Chase online system) when payments are received and 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 transfers between accounts for funding purposes, ACH vendor payments and Fed wire payments.
- Electronic Bank and Account Analysis Statements from the prior month are available by the second business day 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 Contract Compliance 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 JPMorgan Chase to provide Banking Services for the period beginning July 1, 2008 through June 30, 2011.

**MBE/WBE COMPLIANCE:**

The Office of M/WBE Contract Compliance has reviewed the above Agreement and JP Morgan Chase remains in compliance with the Board Approved Participation Plan.

**MBE Vendor:**

Loop Capital Markets 111 West Jackson Blvd. Suite 1901 Chicago, IL 60604	Indirect 25%	CMSDC
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**WBE Vendor:**

Arrow Messenger Services, Inc. 1322 West Walton St. Chicago, IL 60642	Indirect 7%	City of Chicago
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**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 2, Section 2.7.4(b) of the Board Bylaws.

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.

Contingent Liability – Pursuant to Section 7-14 of the Illinois Public Community Act all agreements authorized herein shall contain a clause that any expenditure beyond the current fiscal year is subject to appropriation in the subsequent fiscal year.

**FINANCIAL:**

**Total FY13: \$135,000**

**Charge to:** Office of Finance

**Source of Funds:** Education Fund

**Respectfully submitted,**

**Cheryl L. Hyman  
Chancellor**

**May 2, 2013– Office of Finance – District Office**