

# 33107

ADOPTED – BOARD OF TRUSTEES  
COMMUNITY COLLEGE DISTRICT NO. 508  
December 1, 2016

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

### RESOLUTION AUTHORIZING THE TRANSFER OF FUNDS FROM THE WORKING CASH FUND TO THE EDUCATIONAL FUND OFFICE OF FINANCE

**WHEREAS**, the State of Illinois has appropriated only 37% of the expected state funding to City Colleges of Chicago over the past two fiscal years;

**WHEREAS**, the State of Illinois has failed to fund Monetary Award Program (“MAP”) grants adequately over the past two fiscal years, affecting enrollment at City Colleges of Chicago, where enrollment of MAP students remains 30% below Fiscal Year 2015 levels;

**WHEREAS**, the above circumstances has created deep financial pressure and uncertainty on City Colleges of Chicago, increasing its dependence on property tax receipts and federal financial aid payments to maintain adequate cash flow but the revenue streams are not enough for maintaining District operations;

**WHEREAS**, the Illinois Public Community College Act, as amended (110 ILCS 805/3-33.6), provides that:

“Monies may be transferred from the working cash fund to the educational fund or operations and maintenance fund only upon the authority of the board, which shall by resolution direct the community college treasurer to make such transfers;”

**WHEREAS**, the Board of Trustees of Community College District No. 508, County of Cook and State of Illinois receives monies from property tax levies, and federal student financial aid drawdowns which may be used for reimbursement of the Working Cash Fund;

**WHEREAS**, the Board of Trustees of Community College District No. 508, County of Cook and State of Illinois extended property taxes for the levy year 2015 in the amount of \$124,853,382 and estimates the amount of property taxes to be extended for the levy year 2016 to be \$124,903,382;

**WHEREAS**, the Board of Trustees of Community College District No. 508, County of Cook and State of Illinois estimates the amount of federal student financial aid funds to be received between July 1, 2016 and June 30, 2017, to be \$107 million; and

**WHEREAS**, the sum of \$67,013,532 currently in the Working Cash Fund is available for

transfer to the Educational Fund upon the order of the Board of Trustees of Community College District No. 508, County of Cook and State of Illinois;

**NOW, THEREFORE BE IT RESOLVED**, that the treasurer of Community College District No. 508, County of Cook and State of Illinois is directed to transfer from the Working Cash Fund, when monies are available in said fund, to the Educational Fund and Operations and Maintenance of Facilities Fund and to authorize the drawdown of an amount as required to ensure the availability of sufficient monies to disburse for the payment of salaries and other expenses throughout Fiscal Year 2017; and

**BE IT FURTHER RESOLVED**, that funds transferred from the Working Cash Fund to the Educational Fund be reimbursed to the Working Cash Fund by additional anticipated federal and state monies. The Chief Financial Officer shall determine a schedule for such reimbursement based on when such funding is received from the State and when, at the discretion of the Chief Financial Officer, the District has received sufficient funding to maintain operations, while making the reimbursement payments. If additional FY2017 funds are not provided, the Chief Financial Officer shall establish a payment plan and appropriate funds in future budgets to reimburse the borrowed working cash funds.

**December 1, 2016 – Office of Finance**