

33184
ADOPTED – BOARD OF TRUSTEES
COMMUNITY COLLEGE DISTRICT NO. 508
APRIL 6, 2017

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

SAFEKEEPING AND CUSTODIAL SERVICES
BMO HARRIS BANK
OFFICE OF FINANCE

THE CHANCELLOR RECOMMENDS:

that the Board of Trustees authorizes the Chair to approve a five (5) year service contract with BMO Harris Bank to provide safekeeping and custodial services from July 1, 2017 through June 30, 2022 at a total cost not to exceed \$125,000.

VENDOR: BMO Harris Bank
111 West Monroe Street
Chicago, IL 60603

USERS: Office of Finance

TERM:

The original term of agreement shall commence on July 1, 2017 and will continue through June 30, 2022.

SCOPE OF SERVICES:

BMO Harris will serve as the City Colleges of Chicago Safekeeping and Custodial Services provider. Responsibilities will include but not limited to:

- Hold securities delivered by City Colleges of Chicago and/or the Investment Manager in a security depository, in book entry form or in any other manner permitted by law
- Act on any investment instructions received from an authorized officer of the City Colleges and/or the Investment Manager
- Collect all purchases, proceeds of sales, maturities, income and other dispositions of securities and holding proceeds for investment or for other disposition as instructed by CCC or its Investment Manager
- Ensure purchased securities shall not be sold or presented for redemption or repayment except upon the instruction of CCC or the Investment Manager
- Ensuring funds not reinvested from the sale, call or maturity of securities shall be held in an interest bearing cash account. Balances in excess of the FDIC limit, shall be fully collateralized in accordance with City Colleges Investment Policy
- Provide monthly statements

BENEFITS TO CITY COLLEGES OF CHICAGO:

BMO Harris will ensure that City Colleges' securities are safely held and accurately recorded through stringent safety measures and offer comprehensive real-time online services that include: cash reporting,

security holdings and pledge positions, advice of principle, interest payments, transaction history and upcoming activity.

VENDOR SELECTION CRITERIA:

Pursuant to State Law, contracts where a high degree of professional skill are necessary are exempt from the district's competitive bidding requirements. In addition, the Office of Finance prepared a Request for Qualification (RFQ) #TB1602 and distributed it to (4) four firms on February 15, 2017: BMO Harris Bank; J.P. Morgan Chase Bank; U.S. Bank; and Wells Fargo Bank. Only one firm responded to the RFQ on March 1, 2017: BMO Harris Bank.

MBE/WBE COMPLIANCE:

The Office of Contract Compliance has reviewed the proposed agreement and recommends a waiver of the Board Approved Participation Plan due to the nature of the services (safekeeping and custodial) and the absence of further subcontracting opportunities.

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 an 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: \$125,000

Charge to: Office of Finance

Source of Funds: Education Fund

FY17: 594000-00003-0010026-80000

Respectfully submitted,

**Cheryl L. Hyman
Chancellor**

April 6, 2017 – Office of Finance