

28062
ADOPTED - BOARD OF TRUSTEES
COMMUNITY COLLEGE DISTRICT NO. 508
JUNE 20, 2007

BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508
County of Cook and State of Illinois

Calendar Year 2003 Employment Tax Examination
by the Internal Revenue Service

THE CHANCELLOR

REPORTS that on May 18, 2005 the Internal Revenue Service (IRS) began the examination of the District's employment tax for the calendar year 2003; and

that the net impact of the IRS audit is an estimated liability of \$217,156 of which \$50,007 is payment to the IRS, \$56,744 is refund to employees and \$110,405 is the estimated 403(B) contribution to be paid on behalf of the re-classified employees.

THE CHANCELLOR

RECOMMENDS that the Board of Trustees authorize the Chairman to execute closing documents from the IRS and authorize the application for Voluntary Correction Plan (VCP) to cure the findings associated with the 403(B) plan for re-classified workers and authorize the Treasurer and/or the Chief Financial Officer to pay the IRS and other affected parties \$217,156.

Financial \$217,156 - Educational Purposes Fund
000039010002-000086-001000-000000-599010

Respectfully submitted,

Wayne D. Watson
Chancellor

June 20, 2007