

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

RISK ASSESSMENT/INTERNAL AUDIT SERVICES
DISTRICT FINANCE

REPORTS THE CHANCELLOR

that it necessary to perform a District wide risk assessment and to develop a multi-year audit plan to establish Internal audit priorities by identifying key financial and operational areas and related risks to the City Colleges of Chicago; and

that a Request for Proposal (RFP) for a Risk Assessment was publicly advertised March 8, 2007, with a pre-proposal conference held on March 20, 2007, and five (5) firms submitted proposals on March 30, 2007: Kessler International, Virchow Krause & Company, LLP, RSM McGladrey, Inc., KPMG, LLP and SMART Associates, Inc.; and

that the submitted proposals were evaluated and ranked by the evaluation team, in accordance with the evaluation criteria contained in the RFP, to select a firm to assist in the conduct of a risk assessment; and

that KPMG, LLP is recommended to assist in the conduct of the risk assessment with negotiated fees of \$168.00 per hr for approximately 200 hours, in an amount not to exceed \$33,600; and

that the Office of M/WBE Contract Compliance has reviewed the above referenced professional services agreement and has determined that KPMG, LLC is in compliance with the Board approved Participation Plan by partnering with Benford Brown & Assoc. as a certified MBE for 25% of the project and Gladys R. Wilson & Assoc. as the certified WBE for 7% of the project.

THE CHANCELLOR

RECOMMENDS that the Board of Trustees authorize the Chairman to enter into an agreement with KPMG, LLP in an amount not to exceed \$33,600 for the period June 11, 2007 through August 30, 2007 to assist in the conduct of the risk assessment and to develop a multi-year audit plan.

FINANCIAL \$33,600 Education Fund 00003-0015002-00081-00000-0000000-531100

Respectfully submitted,

Wayne D. Watson
Chancellor