

BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508
COUNTY OF COOK AND STATE OF ILLINOISAUDIT SERVICES AGREEMENT
DELOITTE & TOUCHE LLP
OFFICE OF FINANCE

THE CHANCELLOR

REPORTS

that Section 805/3-22.1 of the Illinois Public Community College Act requires that the Board cause an audit to be made as of the end of each fiscal year by an accountant licensed to practice public accounting in Illinois; and

that staff recommends approval of the proposal from Deloitte & Touche to provide external audit services for Fiscal Year 2008 through June 2009; and

that the auditing services would include, but not be limited to:

- Audit of the basic financial statements in accordance with generally accepted auditing standards contained in Government Auditing Standards (as amended) issued by the Comptroller General of the United States;
- Supplemental schedules to the audited financial statements that are required by the Illinois Community College Board; (Uniform Financial Statements and Certified Chargeback Reimbursement, Balance Sheets and Statement of Revenues and Expenses and Changes in Net Assets)
- Audit of the City Colleges of Chicago Foundation including preparation of Form 990 for both Federal and State filing requirements;
- Financial report and audit of the City Colleges' Enrollment Report and application form submitted to the State of Illinois Board of Higher Education in accordance with the "Illinois Financial Assistance Act for Nonpublic Institutions of Higher Learning;"
- Audit of Federal grants, contracts, and student financial aid under OMB Circular A-133;
- Online reporting required by the U.S. Department of Education (DOE);
- Audits of specific grants and financial statements as required by the grantor agencies including: Chicago Public Schools, Illinois Department of Health and Human Services, Illinois Community College Board, Illinois Board of Trustees of Community College District No. 508 Higher Education, and Illinois State Board of Education;
- Audit of WYCC Channel 20 including the State of Illinois Arts Council grant and attestation procedures related to WYCC's certification regarding their compliance with the Corporation for Public Broadcasting Financial Reporting Guidelines governing the amounts reported as Non-Federal Financial Support ;
- Issuance of a Management letter;
- Treasury agreed upon procedures; and

that Doloitte & Touche submitted proposal for the FY2008 audit includes all services identified for FY 2008 in an amount not to exceed \$763,000. comprised of the following: \$718,000 for audit services (CAFR - \$324,213, ICCB audits-\$70,319, other state grants audits - \$168,766, Federal Single audit- \$112,510 and WYCC audit -\$42,191), \$11,000 out-of pocket expenses and \$ 34,000 for treasury agreed upon procedures; and

that the deliverables for the FY 2008 audit services include twenty-five audit opinions, two in-relation to opinions, one agreed upon procedures report, one examination report, two internal control and compliance opinions, two online certifications for WYCC, and one tax return for the Foundation; and

that the Office of M/WBE Contract Compliance has reviewed the above audit services agreement extension and since Deloitte & Touché LLP has been approved by the Board under a previous professional services agreement, and the issue of contract compliance continues, therefore, it is recommended that they remain in compliance with our Board approved Participation Plan.

THE CHANCELLOR

RECOMMENDS

that the Board of Trustees approves a Professional Services Agreement with Deloitte & Touche from March 1, 2008 through June 30, 2009 for the FY2008 Annual Audit services in an amount not to exceed \$763,000 of which, an amount to be determined, will be charged and collected from the various grants as much as would be allowable, so as to offset the audit costs charged to the Audit Fund.

FINANCIAL

FY 2008 and FY 2009 - Not to exceed \$ 763,000-
\$763,000 - Audit Fund 04001 0010105 00082 01000 0000000 531100
TBD - Various Grants 21000 0010105 00082 01000 0000000 531100

Respectfully submitted,

Wayne D. Watson
Chancellor

February 7, 2008 – Office of Finance- District Office