

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

**EXTERNAL AUDIT SERVICES
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 a Request for Proposal (RFP) was prepared, publicly advertised, and thirty-two (32) firms were notified, a pre-proposal conference was held on March 11, 2009, and the following five (5) firms submitted proposals on March 25, 2009: McGladrey & Pullen of Chicago, IL; KPMG LLP of Chicago, IL; Crowe Horwath LLP of Chicago, IL; Ernst & Young LLP; and Deloitte & Touche LLP of Chicago, IL; and

that submitted proposals were reviewed and ranked in accordance with the evaluation criteria contained in the RFP by the evaluation team, which consisted of staff from Finance, Internal Audit, Risk Management, Academic Affairs, Truman College, Wright College, and M/WBE Contract Compliance; and

that based on the scores, the evaluation team recommended the following short listed firms for oral presentation: KPMG, LLP of Chicago, IL; Crowe Horwath, LLP of Chicago, IL and Deloitte & Touche, LLP of Chicago, IL; and

that the following negotiated rates and hours were proposed:

Firms	Audit FY 2009	Audit FY 2010	Audit FY 2011
Crowe Horwath, LLP Chicago, IL	\$528,000 4,000 hours	\$544,240 4,000 hours	\$560,500 4,000 hours
KPMG, LLP Chicago, IL	\$595,000 5,000 hours	\$615,000 5,000 hours	\$635,000 5,000 hours
Deloitte & Touche, LLP Chicago, IL	\$595,000 5,000 hours	\$615,000 5,000 hours	\$645,000 5,000 hours

that based on the oral presentation and overall assessment, the evaluation team recommended acceptance of the proposal from Crowe Horwath, LLP of Chicago, IL; and

that Executive Management reviewed the evaluation team's recommendation and interviewed the top three finalists to clarify understanding of the scope of services, indemnification language, costs, hours budgeted and limitation of liability provisions of each proposal; and

that upon further review of the written responses of the indemnification language, costs, scope of services, hours budgeted and limitation of liability provisions provided by each of the top three finalists, Executive Management has determined that in the best interests of the District, Deloitte and Touché, LLP should be recommended for award; and

that Deloitte and Touché, LLP is recommended as the most responsive with respect to indemnification language, scope of services, costs, hours budgeted and limitation of liability provisions; and

that the Office of M/WBE Contract Compliance has reviewed the above referenced proposal and, Deloitte and Touche, LLP, subcontracting with certified MBE firms Maria Prada and William Morales and the certified WBE firm Bronner Group for direct participation, is in compliance with the Board Approved Participation plan.

THE CHANCELLOR

RECOMMENDS

that the Board of Trustees authorizes the Chairman to enter into an agreement with Deloitte and Touché, LLP of Chicago, IL for a period of three (3) years beginning June 12, 2009 through June 30, 2012 with an option to extend for one (1) additional year (subject to Board approval) at negotiated rates not to exceed \$595,000 for fiscal year 2009, \$615,000 for fiscal year 2010, and \$645,000 for fiscal year 2011 to provide external audit services in accordance with RFP # NU0907 dated March 2, 2009.

FINANCIAL

Audit Fund – 04001 0010105 00082 01000 0000000 531100
Various Grants – 21000 0010105 00082 01000 0000000 531100
FY 2010 - Not to exceed \$ 595,000
FY 2011 - Not to exceed \$ 615,000
FY 2012 - Not to exceed \$ 645,000

Respectfully submitted,

Wayne D. Watson
Chancellor

June 11, 2009 – Office of Finance- District Office