

**31572**  
**ADOPTED - BOARD OF TRUSTEES COMMUNITY**  
**COLLEGE DISTRICT NO. 508**  
**SEPTEMBER 13, 2012**

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

**EXTERNAL AUDIT SERVICES**  
**DELOITTE & TOUCHE**  
**OFFICE OF FINANCE**  
**(RATIFICATION)**

**THE CHANCELLOR RECOMMENDS:**

that the Board authorizes the Chair to execute the option to renew the agreement with Deloitte & Touche to provide external audit services for one additional year for the period from July 2012 through June 30, 2013, at a total cost not to exceed \$638,650.

**VENDOR:** Deloitte & Touche, LLP  
111 South Wacker Drive  
Chicago, Illinois 60606

**USER:** District Wide

**TERM:**

The term of the agreement commenced on or around July 1, 2012 and shall end on June 30, 2013. This is the final renewal term with Deloitte and Touche, LLP.

**SCOPE OF SERVICES:**

Deloitte & Touche will provide external audit services to the District, which include an audit of: 1) CAFR and A133 reports; 2) WYCC and ICCB Grants; 3) Schedule of Enrollment Data; 4) City Colleges of Chicago Foundation Financial Statements; 5) City Colleges of Chicago Foundation Form 990 and AG990; and 6) Treasury agreed upon procedures. Based on the firm's experience with the previous two audits, it is planned for Deloitte and Touche to complete the District's FY 2012 audit two weeks earlier than FY 2011.

**BENEFIT TO CITY COLLEGES OF CHICAGO:**

Utilizing Deloitte and Touche will ensure that the District is provided with an independent and unbiased review of the District's financial statements and that the proper internal controls exist to reduce the chance of misreporting or fraud.

**VENDOR SELECTION CRITERIA:**

Deloitte and Touche LLP was selected as the District's external auditor pursuant to a Request for

Proposal (RFP) for audit services completed in March, 2009. 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: 1) McGladrey & Pullen; 2) KPMG LLP; 3) Crowe Horwath LLP; 4) Ernst & Young LLP; and 5) Deloitte & Touche LLP. The firms submitted proposals that 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.

Following oral presentations with 3 finalists, Deloitte and Touché, LLP was recommended as the most responsive with respect to indemnification provisions, scope of services, costs, hours budgeted and limitation of liability provisions.

**MBE/WBE COMPLIANCE:**

The Office of M/WBE Contract Compliance has reviewed the above agreement and Deloitte & Touche, LLP is in compliance with the Board Approved Participation Plan.

**MBE VENDOR:**

William Morales & Associates, PC 1650 W. North Ave. Chicago, IL 60622-2255	Direct Participation 5%	City of Chicago
--	----------------------------	-----------------

Prado & Renteria, CPA 1837 S. Michigan Ave. Chicago, IL 60616-1601	Direct Participation 20%	City of Chicago
--	-----------------------------	-----------------

**WBE VENDOR:**

Bronner Group, LLC 120 N. LaSalle St. Ste. 1300 Chicago, IL 60602	Direct Participation 7%	City of Chicago
---	----------------------------	-----------------

**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 as amended by the Board.

Contingent Liability – Pursuant to Section 7-14 of the Illinois Public Community College 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 FY13:** \$638,650

**Charge To:** Office of Finance

**Unrestricted Funds:** Audit Fund

**Respectfully submitted,**

**Cheryl L. Hyman  
Chancellor**

**September 13, 2012 – Office of Finance – District Office**