WITHDRAWN 02-0227-PR27 February 27, 2002

APPROVE ENTERING INTO AN AGREEMENT WITH KPMG, LLP FOR INTERNAL AUDIT SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with KPMG, LLP to provide internal audit services to the Department of Audit Services at a cost not to exceed $1,500,000. Vendor was selected pursuant to a duly advertised Request for Proposals Specification #01-250016A. A written agreement for the vendor is currently being nego[illegible] the vendor prior to the execution of a written agreement. The authority granted herein shall automatic[illegible] ally rescind in the event a written agreement is not executed within 90 days of the date of this Board Report. Inf[illegible] ormation pertinent to this agreement is stated below.

VENDOR: KPMG LLP
303 East Wacker Drive
Chicago, IL 60601
Contact Person: Mark Stauffer
(312) 665-5391
Vendor #23326

USER: Department of Audit Services
125 S. Clark Street – 6th Floor
Chicago, IL 60603
Contact Person: Leonard Moody
(773) 553-1481

TERM: The term of this agreement shall commence on April 1, 2002 and shall end on June 30, 2003. The [illegible] Board shall have the option to renew the agreement for up to two (2) additional one-year periods, with the hourly rates for the vendor to be re-negotiated.

[illegible] development of an internal audit [illegible] **SCOPE OF SERVICES:** KPMG will provide internal audit services including th[illegible]

02-0227-PR27

FINANCIAL: Charge to Department of Audit Services [illegible]

Budget Classification: 0110-210-000-1013-5410 – $1,500,000 Fiscal Year 2002

Source of Funds: General Fund, 210

GENERAL CONDITIONS:

[illegible] Inspector General [illegible] agreement. Sha[illegible] the authority to conduct [illegible] the Inspector General of the Chicago Board of Education [illegible] investigations.

Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of [illegible] cts to former Board members [illegible] 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contra[illegible]