



**ING INTO AN AGREEMENT WITH KPMG, LLP
R INTERNAL AUDIT SERVICES**

**APPROVE ENTER
FO**

ORTS THE FOLLOWING DECISION:

THE CHIEF EXECUTIVE OFFICER REP

KPMG, LLP to provide internal audit services to the Department of

Approve entering into an agreement with K

of proposals, specification #01-250015A. A written agreement for the vendor is currently being negotiated.

No payment shall be made to the vendor prior to the execution of a written agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

Specification Number: 01-250015A

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

USER: Department of Audit Services
125 S. Clark Street - 5th Floor
Chicago, IL 60603

Contact Person: Leonard
(773) 553-1481

Board shall have the option to renew the agreement for two (2) additional one-year periods, with the hourly rates for the vendor to be re-negotiated.

SCOPE OF SERVICES: KPMG will provide internal audit services including the development of an internal audit plan for the Board by collaboratively working with the Board's management review programs.

FINANCIAL STATEMENTS - GENERAL FUND 23.01.10
 Under Classification 0110-210-00010035416 \$4,500,000 FISCAL YEAR 2003
 FINANCIAL STATEMENTS - GENERAL FUND 23.01.10

GENERAL CONDITIONS:

has the authority to conduct investigations
 all information and personnel necessary to conduct those

Inspector General of the Chicago Board of Education
 and that the Inspector General shall have access to
 investigations.

ending on the Board if entered into in violation of the provisions of
 of, or the letting of contracts to, former Board members
 e-year period following expiration of the termination or other terms of office

Conflicts - The agreement shall not be legally binding
 105 ILCS 5/34-21.3 which restricts the employment

to time, shall be incorporated into and made a part of the agreement.


Ethics - The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3) has amended from time to time
 incorporated into and made a part of the agreement.

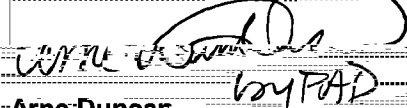
budget activity in the agreement shall contain the cause that any expenditure beyond the current fiscal year
 appropriation in the subsequent fiscal year budget(s).

is deemed a contingent liability, subject to

Approved:

Approved for Consideration:


 Anita Rocha
 Acting Chief Purchasing Officer


 Arne Duncar
 Chief Executive Officer


 Kenneth C. Gotson
 Chief Fiscal Officer

Approved as to legal form:


General Counsel