

APPROVE EXERCISING THE SECOND OPTION TO RENEW AGREEMENTS WITH VARIOUS AUDITING FIRMS FOR INTERNAL SCHOOL-BASED AUDIT SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

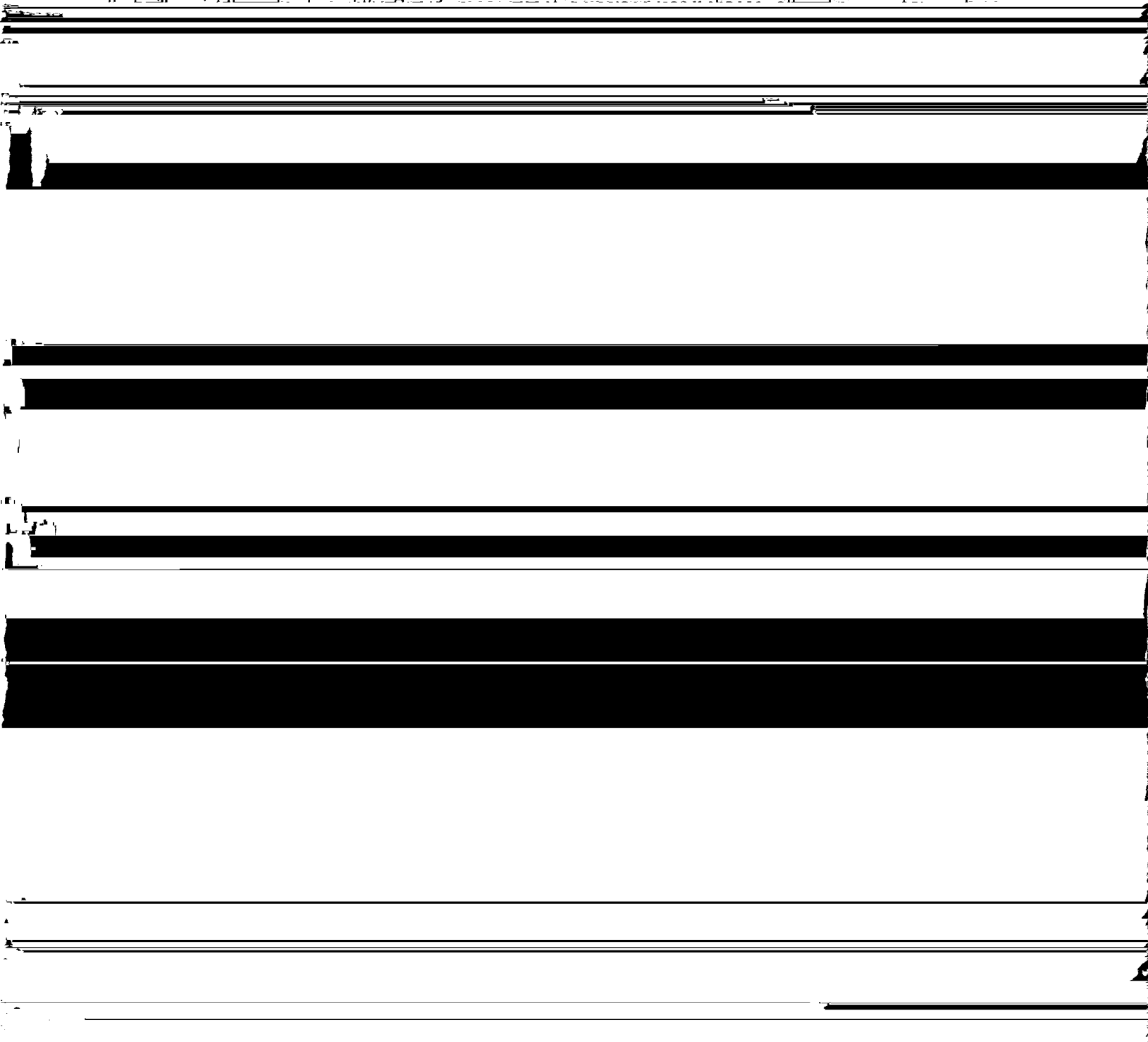
Approve exercising the second option to renew agreements with the following auditing firms to provide internal school-based audit services to the Department of Audit Services at a cost not to exceed \$300,000 in the

made to any vendor prior to the execution of such vendor's written renewal agreement. The authority granted herein shall automatically rescind as to each vendor in the event a written renewal agreement is not executed within 90 days of the date of this Board Report. Information pertinent to these renewal agreements is stated below.

Specification Number: 01-250016

VENDORS: 1. Gerardo Livorno & Associates 2. Brennan Group

OUTCOMES: As a result of each review, the vendor's services will result in specific relevant recommendations



and will improve the effectiveness and efficiency of operations.

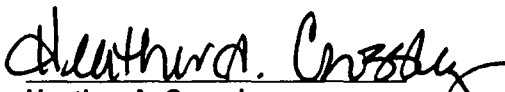
COMPENSATION: Vendors shall be paid during the term period based on the hourly rates detailed in their

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

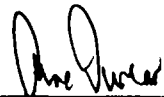
Contingent Liability – The agreements shall contain the clause that any expenditure beyond the current fiscal

year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s)

Approved for Consideration:


Heather A. Crossley
Chief Executive Officer

Approved:


Arne Duncan
Chief Executive Officer