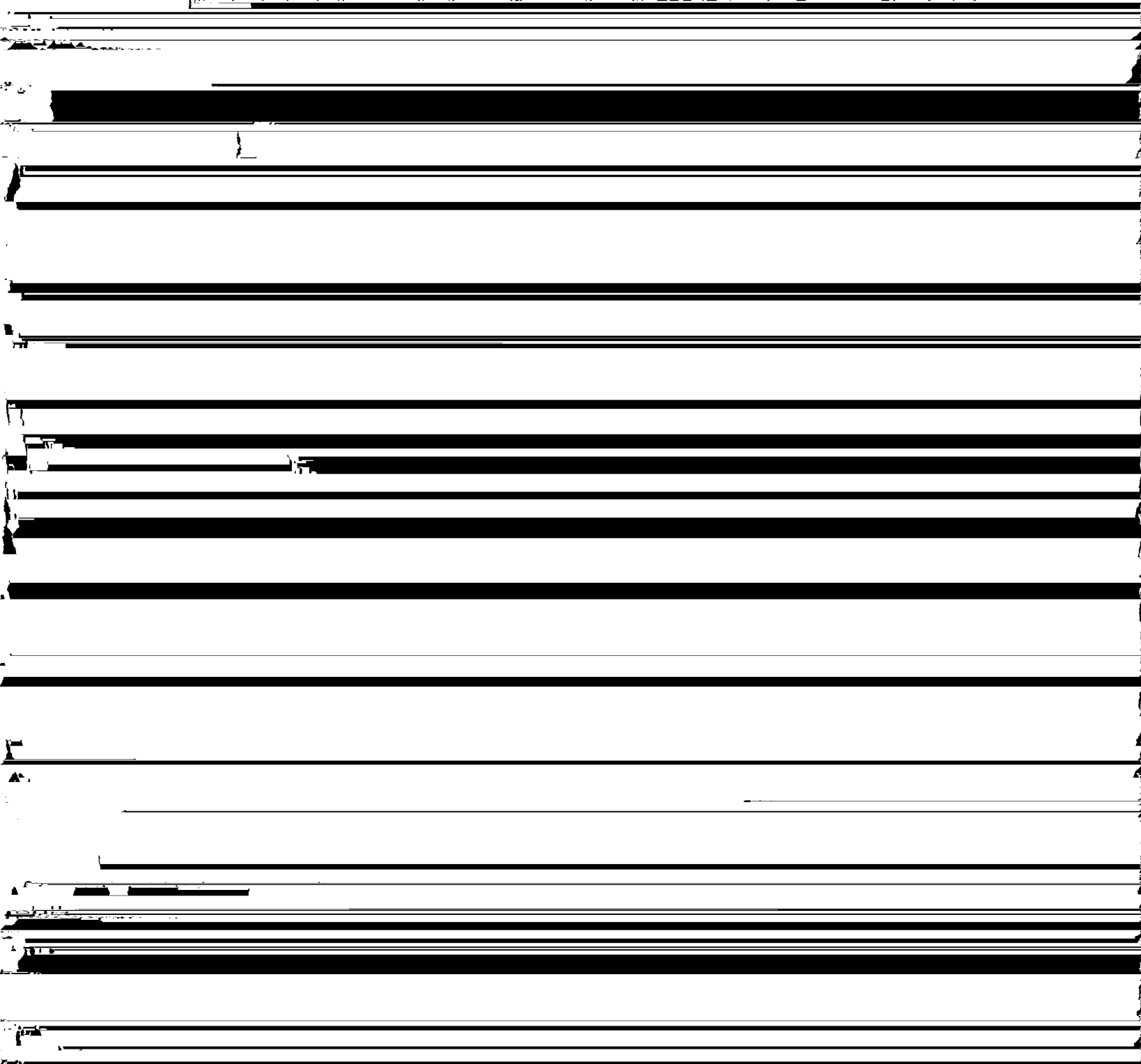


**APPROVE ENTERING INTO AN AGREEMENT WITH KPMG, LLP FOR
INTERNAL AUDITING SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with KPMG, LLP to provide internal auditing services to the Department of Audit Services at a cost not to exceed \$150,000.00. Consultant was selected on a non-



OUTCOMES:

Consultant's services will result in an improved business process and leveraging of existing technology to

accomplish these goals. Users will see better service delivery due to the successful implementation of the business performance process.

COMPENSATION:

Consultant shall be paid as follows: at their customary hourly rate, total invoices not to exceed the sum of \$150,000.00.

REIMBURSABLE EXPENSES:

None.

AUTHORIZATION:

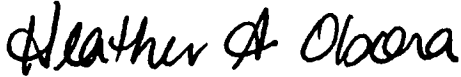
Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the agreement. Authorize the Chief Executive Officer to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION:

The MAA/BE goals for this contract include 35% total MBE and 5% total WBE. KPMC has been granted a

Contingent Liability - The agreement 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. OBORA
Chief Purchasing Officer

Approved:



ARNE DUNCAN
Chief Executive Officer

Within Appropriation:



PEDRO MARTINEZ
Chief Financial Officer

Approved as to Legal Form:



PATRICK J. ROCKS
General Counsel