

**AUTHORIZE AGREEMENT WITH ERNST AND YOUNG U.S. LLP FOR CASH MODELING SERVICES**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Authorize agreement with Ernst & Young, LLP to provide cash modeling services to the Treasury Department at an estimated annual cost set forth in the Compensation Section of this report. Vendor was selected on a competitive basis pursuant to Board Rule 7-2.4 which authorizes the Board to purchase through contracts entered into between another governmental entity and its vendor. The State of Michigan issued a RFP and subsequently entered in a contract with Ernst & Young, LLP (contract number 271B4300006). A written agreement for Vendor's services is currently being negotiated. No payment shall be made to Vendor prior to the execution of their written agreement. The authority granted herein shall automatically rescind in the event their written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

Contract Administrator : Sinnema, Mr. Ethan Cedric / 773-553-3295

**VENDOR:**

- 1) Vendor # 29159  
ERNST & YOUNG U.S. LLP  
5 Times Square  
New York, NY 10036  
Briana Richards  
212 773-2716

Ownership: Partnership - There Are  
Thousands Of Partners, None Owning More  
Than 3%

**USER INFORMATION :**

Project  
Manager: 12440 - Treasury  
  
42 West Madison Street  
  
Chicago, IL 60602  
  
Bennett, Ms. Jennie H  
  
773-553-2595

**TERM:**

The term of this agreement shall commence on September 1, 2015 and shall end June 30, 2016. There are no options to renew.

**SCOPE OF SERVICES:**

Vendor shall assist management in the development of cash modeling services, including but not limited to, a rolling 13-week cash flow forecast for the period ending September 30, 2015, to include:

- Major general fund receipt categories by line item
- Major general fund disbursement categories by line item
- Rolling cash balance and line of credit availability

-Sensitivities to the base case cash forecast illustrating the cash impact of specified scenarios

Vendor shall also assist in the development of an executive reporting package to provide a summary of key assumptions, drivers, cash positions, and a comparison of agreed upon scenarios.

**DELIVERABLES:**

Vendor shall provide reports as requested by the Board detailing the following:

- A direct cash flow forecast for the 13-week period ending September 30, 2015 ("base case")
- Risks / opportunities to the base case
- Scenario outputs with key assumptions and reconciliation to the base case
- Analysis of major receipts / disbursements by category
- Analysis of next steps and recommendation of enhancements for a comprehensive and longer term cash flow forecast

**OUTCOMES:**

Vendor's services will result in better cash flow forecasting of the Board's finances.

**COMPENSATION:**

Estimated costs for the one-year term are set forth below:  
\$475,000.00, FY16

**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 Financial Officer to execute all ancillary documents required to administer or effectuate this agreement.

**AFFIRMATIVE ACTION:**

This agreement is exempt from MBE/WBE compliance review as services were awarded based on a competitive RFP process in Michigan; of which the District was allowed to utilize for services.

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

Fund 115, Treasury Department, Unit #12410  
\$475,000.00, FY16

**CFDA#:**

Not Applicable

**GENERAL CONDITIONS:**

Inspector General - Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their terms of office.

Indebtedness - The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics - The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), as amended from time to time,

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

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:



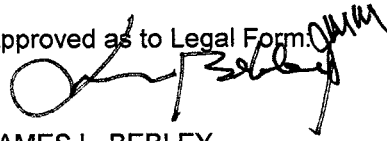
SÉBASTIEN de LONGEAUX  
Chief Procurement Officer

Approved:



FORREST CLAYPOOL  
Chief Executive Officer

Approved as to Legal Form:



JAMES L. BEBLEY  
General Counsel