



October 5, 2017

Brian L. Ofenloch
Partner
Ernst & Young, LLP
155 North Wacker Drive
Chicago, Illinois 60606

Re: Amendment No. 5, Contract No. 11498 between Ernst & Young, LLP, and the Chicago Housing Authority (CHA) for Independent Audit Services

John T. Hooker
Chairperson

Matthew Brewer
Craig Chico
Mark Cozzi
Dr. Mildred Harris
Meghan Harte
John G. Markowski
Cristina Matos
Francine Washington
Board of Commissioners

Eugene Jones, Jr.
Chief Executive Officer

Dear Mr. Ofenloch:

Enclosed is a fully executed original copy of Amendment No. 5 to Contract 11498 between Ernst & Young, LLP (E&Y) and the Chicago Housing Authority (CHA), to exercise the second one (1) year option to the Contract to perform independent audit services to the CHA. As a result, the CHA shall add an additional not-to-exceed amount of \$885,000.00 in compensation to the Agreement, resulting in a revised aggregate amount of compensation of \$3,382,600.00.

The term of the Contract for the 2nd option shall expire on November 9, 2018.

Should you have any questions, please contact Rodolfo Bonilla, Procurement Specialist, at 312-786-3260 or via email at rbonilla@thecha.org.

Sincerely,

Dionna Brookens
Chief Procurement Officer
Department of Procurement and Contracts

Enclosures

Cc: Mike Moran (CFO)
William Preston (OGC)
Tiffany Johnson (DPC)
Contract File 11498

Amendment No. 5 to Professional Independent Audit Services Agreement,
Contract No. 11498

This Amendment No. 5 (hereinafter "Amendment No. 5") to that certain **Professional Independent Audit Services Agreement**, CHA Contract No. 11498 (the "Agreement") is made effective as of the 10th day of November 2017, by and between the **CHICAGO HOUSING AUTHORITY** ("CHA"), an Illinois municipal corporation with offices at 60 East Van Buren, Chicago, Illinois, and **Ernst & Young, LLP** (the "Auditor"), a Delaware limited liability partnership, authorized to conduct business in the State of Illinois, with offices at 155 North Wacker Drive, Chicago, Illinois 60606.

WHEREAS, the CHA and the Auditor originally entered into the Agreement for a base term of two (2) years, wherein the Auditor, for and in consideration of the covenants and agreements set forth therein, agreed to perform independent audit services to the CHA for compensation in the firm-fixed fee amount of One Million Five Hundred Ninety Seven Thousand Six Hundred and 00/100 Dollars (\$1,597,600.00);

WHEREAS, the CHA and the Auditor originally thereafter entered into Amendments No. 1 and No. 2 to the Agreement to memorialize certain modified terms and additional scope and additional compensation associated with Amendment No. 2, collectively increasing the total compensation by the firm-fixed fee amount of Fifteen Thousand and 00/100 Dollars (\$15,000.00);

WHEREAS, the CHA and the Auditor thereafter entered into Amendment No 3 to the Agreement to memorialize the first one-year option exercise and increased firm-fixed fee compensation associated with such Amendment in the amount of Eight Hundred Fifty Nine Thousand Three Hundred and 00/100 Dollars (\$859,300.00);

WHEREAS, the CHA and the Auditor thereafter entered into Amendment No. 4 to provide for additional and supplemental scope and Services to be provided or rendered by the Auditor to the CHA during and throughout the first option term to support additional disclosures relating to the CHA's Rental Assistance Demonstration (RAD) Program, and increasing the total compensation to the not-to-exceed amount Twenty Five Thousand Seven Hundred and 00/100 Dollars (\$25,700.00); and

WHEREAS, the CHA and Auditor wish to amend the Agreement through the exercise of the second one (1) year option reserved to CHA under the Agreement for Services to be provided or rendered by the Auditor to the CHA throughout the second option term, and for additional fixed-fee compensation in the amount of Eight Hundred Eighty Five Thousand and 00/100 Dollars (\$885,000.00);

NOW THEREFORE, in consideration of the mutual promises and the terms and conditions set forth herein, the CHA and Auditor agree as follows:

1. **Term of Agreement.**

The term of the Agreement is hereby extended for the period commencing on November 10, 2017 (the "Effective Date" of this Amendment) through November 9, 2018 (collectively referred to herein as the "Second Extension Term"), under the same terms and conditions as set forth in the Agreement, except as otherwise provided herein.

2. Compensation.

In addition to the prior compensation provided for in the original Agreement (and as amended through Amendments No. 1 through 4), the CHA shall add additional fixed-fee compensation to the Agreement for Services to be rendered during the Second Extension Term in the amount of Eight Hundred Eighty Five Thousand and 00/100 Dollars (\$885,000.00) as of the Effective Date of this Amendment. As the result of the additional funding authorized herein, the new total compensation authorized under this Agreement is in the total amount of Three Million Three Hundred Eighty Two Thousand Six Hundred and 00/100 Dollars (\$3,382,600.00).

The Auditor agrees not to perform or provide, and waives any and all claims for payment of work, equipment, services, supplies or other costs which would result in billings beyond this amount without a prior written amendment to this Agreement authorizing said additional work, cost or expense. The Auditor acknowledges an affirmative duty to monitor its performance and billings to ensure that the scope of work is completed within the amount of compensation authorized under this Agreement.

3. Full Force and Effect.

The Agreement is hereby modified in all other respects to give effect to the foregoing modification and, as so modified, shall remain in full force and effect and shall continue to constitute the valid and binding obligations of the parties hereto. Except as modified hereby, the Agreement is hereby ratified, confirmed and approved.

4. Effectiveness and Construction.

This Amendment No. 5 to the Agreement has been executed, delivered and accepted and shall be deemed to have been made under and shall be governed by and construed in accordance with laws of the state of Illinois.

5. Continuing Validity

All other terms and conditions of the Agreement remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the CHA and Auditor have made and enter into this Amendment No. 5 as of the effective date set forth above.

CHICAGO HOUSING AUTHORITY

By: Dionna Brookens

Dionna Brookens, Chief Procurement Officer
Department of Purchasing and Contracts
Date: 10/10/17

Approved as to Form and Legality
Chicago Housing Authority
Office of the Chief Legal Counsel

By: James L. Bebley
James L. Bebley
Chief Legal Officer

ERNST & YOUNG, LLP

By: Shawn Zand
Title: PARTNER

Date: 9-20-17