

**AUTHORIZE A NEW AGREEMENT WITH VARIOUS VENDORS FOR AUDIT SERVICES**

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

Authorize new agreements with Various Vendors to provide Audit Services to the Department of Finance at an estimated annual cost set forth in the Compensation Section of this report. Vendors were selected on a competitive basis pursuant to Board Rule 7-2. Written agreements for Vendors' services are currently being negotiated. No services shall be provided by and no payment shall be made to any Vendor prior to execution of their written agreement. The authority granted herein shall automatically rescind as to each Vendor in the event their written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to the agreements is stated below.

Specification Number : 15-350027

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

**USER INFORMATION :**

Project  
Manager: 10430 - Department of Audit Services  
  
42 West Madison Street  
  
Chicago, IL 60602  
  
Moody, Mr. Leonard Charles  
  
773-553-1990

**TERM:**

The term of each agreement shall commence on September 1, 2015 and shall end August 31, 2018. The agreements shall have two (2) options to renew for periods of one (1) year each.

**EARLY TERMINATION RIGHT:**

The Board shall have the right to terminate each agreement with 30 days written notice.

**SCOPE OF SERVICES:**

Vendors will provide school audit services and related other audit services for CPS departments and networks. Specific audit projects will be assigned based on fixed rates as the need arises.

**DELIVERABLES:**

Vendors will provide the following deliverables: 1) Review and analyze Accounts Payable and Procurement information from the Board's internal and external sources to discover overpayments, 2) Track overpayments and request suppliers to remit the funds to the Board; including funds from vendors and contractors who are no longer conducting business with the Board, 3) Provide the Board with copies of all invoices from vendors and contractors for overpayments made by the Board, 4) Provide bi-weekly reports of recoveries and confirmed credits, and 5) Provide detailed summary reports at the conclusion of the overall audit activity including, but not limited to, cost saving opportunities, best practice recommendations and training to the Board for improvements based upon observations and discoveries made during and throughout the recovery audit period.

**OUTCOMES:**

Vendors' services will result in:

- 1) Performing school audits in an accurate and timely manner

**COMPENSATION:**

Vendors shall be paid as specified in their respective agreement; total compensation for all Vendors not-to-exceed \$1,500,000 in the aggregate for the three (3) year term of the contract. Future funding based on budget approval.

**REIMBURSABLE EXPENSES:**

None.

**AUTHORIZATION:**

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

**AFFIRMATIVE ACTION:**

The MBE/WBE goals for this agreement are 25% total MBE and 5% total WBE participation. However, pursuant to the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts, the aggregate method for MBE/WBE compliance will be utilized. Thus, assignments for subsequent vendors from the pool created by this agreement will be subject to compliance reviews on an assignment-by-assignment basis. Compliance of the vendors in the pool will be reported in the aggregate on a monthly basis.

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

*Various Departments and Funds*

Estimated amounts are as follows:

FY16: \$500,000

FY17: \$500,000

FY18: \$500,000

Future year funding is contingent upon budget appropriation and approval.

**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:



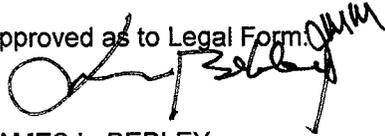
SÉBASTIEN de LONGEAUX  
Chief Procurement Officer

Approved:



JESSE H. RUIZ  
Interim Chief Executive Officer

Approved as to Legal Form:



JAMES L. BEBLEY  
General Counsel

- 1) Vendor # 89952  
BAKER TILLY VIRCHOW KRAUSE, LLP  
225 NORTH MICHIGAN AVE.  
CHICAGO, IL 60601  
John Rossi  
630 645-6209  
  
Owner: Many Partners Under 10% Each
- 2) Vendor # 67104  
BELL FINANCIAL HOLDINGS, INC  
6609 S. KIMBARK AVE., STE 2A  
CHICAGO, IL 60637  
Alton Bell  
225 810-6787  
  
Owner: Dwan Johnson Bell - 100%
- 3) Vendor # 31413  
BENFORD BROWN & ASSOCIATES LLC  
8334 S. STONY ISLAND AVE.  
CHICAGO, IL 60617  
Kimi Ellen  
773 731-1300  
  
Owner: Kimi Ellen - 52%, Timothy Watson - 37.5%, Alyssia Benford - 10%
- 4) Vendor # 96159  
BRONNER GROUP, LLC  
120 NORTH LASALLE STREET., STE 1300  
CHICAGO, IL 60602  
Marilyn Katzin  
312 759-5101  
  
Owner: Gila J. Bronner - 100%
- 5) Vendor # 91172  
CROWE HORWATH LLP  
70 WEST MADISON STREET., STE 700  
CHICAGO, IL 60602  
Bert Nuehring  
312 899-5499
- 6) Vendor # 34148  
GERARDO G. LIWANAG & ASSOC., CPA'S  
236 WAUKEGAN ROAD  
GLENVIEW, IL 60025  
Gerardo Liwanag  
847 724-4331  
  
Owner: Gerardo Liwanag - 100%

7) Vendor # 66028  
RAGLAND & ASSOCIATES, LLC  
15525 SOUTH PARK AVE., STE 111  
SOUTH HOLLAND, IL 60473-1380  
Lawrence Ragland  
708 333-0634  
  
Owner: Lawrence Ragland - 100%

8) Vendor # 68985  
RINGOLD FINANCIAL MANAGEMENT  
SERVICES, INC  
850 SOUTH WABASH #320  
CHICAGO, IL 60605  
Michelle Ringold  
312 566-9705  
  
Owner: Michelle Ringold - 51%, Rick Ringold - 49%

9) Vendor # 16441  
Sikich, LLP  
123 N. WACKER, SUITE 1500  
CHICAGO, IL 60606  
James Sikich  
312 648-6666  
  
Owner: All Owners Under 10%

10) Vendor # 29639  
VELMA BUTLER & CO., LTD.  
6 EAST MONROE, STE. 400  
CHICAGO, IL 60603-0000  
Velma Butler  
312 419-1547  
  
Owner: Velma Butler - 100%

11) Vendor # 16376  
Vander Weele Group, LLC  
4725 N. SHERIDAN ROAD, 1-S  
CHICAGO, IL 60640  
Maribeth Vander Weele  
773 929-3030  
  
Owner: Maribeth Vander Weele - 100%

12) Vendor # 13766  
WASHINGTON, PITTMAN & MCKEEVER  
819 S. WABASH AVE., SUITE 600  
CHICAGO, IL 60605  
Lester McKeeever Jr.  
312 786-0330  
  
Owner: Lester McKeeever Jr. - 99.9%