

**AUTHORIZE THE FIRST RENEWAL AGREEMENT AND NEW AGREEMENTS WITH VARIOUS VENDORS FOR AUDIT SERVICES**

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

Authorize the first renewal and new agreements with various vendors to provide audit services at an estimated annual cost set forth in the Compensation Section of this report. A supplemental Request for Proposals (Specification #18-350017) was advertised and awards recommended for six additional vendors, listed below as #8 - #13. Written renewal agreements for the original vendors and original agreements for new vendors, as applicable, are currently being negotiated. No services shall be provided by any new vendor and no payment shall be made to any vendor during this term 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 these agreements is stated below.

Specification Number : 15-350027

Contract Administrator : Hernandez, Miss Patricia / 773-553-2256

**USER INFORMATION :**

Contact:

10430 - Office of Internal Audit and Compliance

42 West Madison Street

Chicago, IL 60602

Lombana, Mr. John

773-553-1990

**ORIGINAL AGREEMENT:**

The original Agreements (authorized by Board Report 15-0722-PR10) in the amount of \$1,500,000.00 are for a term commencing September 1, 2015 and ending August 31, 2018, with the Board having two (2) options to renew for one (1) year terms. The original agreements were awarded on a competitive basis pursuant to Board Rule 7-2.

**OPTION PERIOD:**

The term of each agreement awarded pursuant to Specification #15-350027 is being renewed for one (1) year commencing September 1, 2018 and ending August 31, 2019.

**TERM OF NEW AGREEMENTS:**

The term of each agreement awarded pursuant to Specification #18-350027 is for an initial term commencing August 23, 2018 and ending August 31, 2019, with the Board having one (1) option to renew for a period of one year.

**OPTION PERIODS REMAINING:**

There is one (1) option period for one (1) remaining.

**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) School audit workpapers, including lead sheet and documented workpaper support; 2) Detailed summary reports at the conclusion of the overall audit activity including, but not limited to, cost saving opportunities, best practice and recommendations for improvements based upon observations and discoveries made during and throughout the audit; and 3) Weekly progress reporting and monthly status update.

**OUTCOMES:**

Vendors' services will result in: performing school and central office audit services in an accurate and timely manner.

**COMPENSATION:**

Vendors shall be paid during this one year period as specified in their respective agreement; total compensation for all Vendors shall not exceed \$750,000.00 in the aggregate for the one (1) year term.

**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 Chief Financial Officer to execute all ancillary documents required to administer or effectuate the agreements.

**AFFIRMATIVE ACTION:**

Pursuant to the Remedial Program for Minority and Women-Owned Business Enterprise Participation in Goods and Services contracts (M/WBE Program), the Business Diversity goals for this pool are 30% MBE and 7% WBE. This vendor pool is comprised of 13 vendors. This vendor pool is comprised of 4 MBEs and 4 WBEs. The User group has committed to achieve the Business Diversity goals through the utilization of the certified diverse suppliers and certified diverse subcontractors.

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

Fund 115  
Internal Audit and Compliance, Unit 10430  
\$750,000 FY19  
Not to exceed \$750,000 for the one (1) year period.

**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.

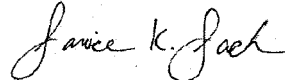
Contingent Liability - The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



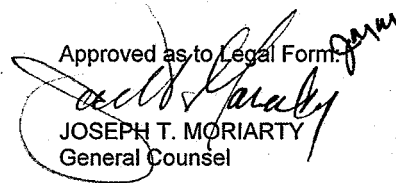
JONATHAN MAPLES  
Chief Procurement Officer

Approved:



JANICE K. JACKSON  
Chief Executive Officer

Approved as to Legal Form:



JOSEPH T. MORIARTY  
General Counsel

- 1) Vendor # 67104  
BELL FINANCIAL HOLDINGS, INC  
6945 S STONY ISLAND AVE  
CHICAGO, IL 60649  
Alton Bell  
773 994-8944
- Ownership: Dwan Johnson Bell - 50% And Alton Bell - 50%
- 2) Vendor # 31413  
BENFORD BROWN & ASSOCIATES LLC  
8334 S. STONY ISLAND AVE.  
CHICAGO, IL 60617  
Kimi Ellen  
773 731-1300
- Ownership: Kimi L. Ellen - 52.5%; Timothy S. Watson - 37.5% And Alyssia Benford - 10%
- 3) Vendor # 96159  
BRONNER GROUP, LLC  
120 NORTH LASALLE STREET  
CHICAGO, IL 60602  
Marilyn Katzin  
312 759-5101
- Ownership: Gila J. Bronner - 100%
- 4) Vendor # 91172  
CROWE LLP.  
225 W WACKER DRIVE  
CHICAGO, IL 60606  
Bert Nuehring  
310 899-8346
- Ownership: More Than 260 Partners, No One Owns More Than 10%  
Note: Formerly Known As Crowe Horwath Llp
- 5) Vendor # 34148  
GERARDO G. LIWANAG & ASSOC., CPA'S  
236 WAUKEGAN ROAD  
GLENVIEW, IL 60025  
Gerardo Liwanag  
847 724-4331
- Ownership: Gerardo Liwanag - 100%
- 6) Vendor # 68985  
RINGOLD FINANCIAL MANAGEMENT SERVICES, INC  
850 SOUTH WABASH AVENUE  
CHICAGO, IL 60605  
Michelle Ringold  
312 566-9705
- Ownership: Michelle Ringold - 51% And Rick Ringold - 49%
- 7) Vendor # 16441  
SIKICH LLP  
200 W. MADISON STE 3200  
CHICAGO, IL 60606  
James Sikich  
312 648-6679
- Ownership: Various Partners No One Owns More Than 10%

- 8) Vendor # 19608  
ADELFIA LLC  
400 E. RANDOLPH STREET STE 705  
CHICAGO, IL 60601  
  
Maria Fides Balita  
  
312 240-9500  
  
Ownership: Stella Marie Santos - 17.3%;  
Jennifer Roan - 17.3%; Annabelle Abueg  
-17.3%; Maria Fides Balita - 17.3%; Maria  
Divina Valer -17.3 %; 2 Other Shareholders  
With Less Than 10% Interest.
- 9) Vendor # 19604  
  
DARLENE MARIE DRAB DBA DMD  
CONSULTING, LLC  
230 S. CLARK STREET STE 113  
CHICAGO, IL 60604  
  
Darlene Drab  
  
312 809-6987 X:700  
  
Ownership: Darlene Drab - 100%
- 10) Vendor # 16669  
  
GUIDEHOUSE LLP  
1800 TYSONS BOULEVARD  
MCLEAN, VA 22102  
  
Kevin Sanders  
  
571 766-9220  
  
Ownership: Pricewaterhousecoopers Llp - 99%
- 11) Vendor # 23326  
  
KPMG LLP  
200 E RANDOLPH STREET  
CHICAGO, IL 60601  
  
James Czarnecki  
  
312 665-3428  
  
Ownership: Over 1900 Partners In Us, All Are  
Limited Partners.
- 12) Vendor # 26818  
  
PRADO & RENTERIA CPAS PROF CORP.  
1837 S MICHIGAN AVENUE  
CHICAGO, IL 60616  
  
Maria Prado  
  
312 567-1330.  
  
Ownership: Maria De J. Prado -50% And Hilda  
S. Renteria - 50%
- 13) Vendor # 29778  
  
RSM US LLP  
1 SOUTH WACKER DRIVE  
CHICAGO, IL 60606-3392  
  
Nate Ruey  
  
312 634-4540  
  
Ownership: Various Partners No One Owns  
More Than 1%