

**32899**

**ADOPTED – BOARD OF TRUSTEES  
COMMUNITY COLLEGE DISTRICT NO. 508  
MARCH 3, 2016**

**BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508  
COUNTY OF COOK AND STATE OF ILLINOIS**

**EXTERNAL AUDIT SERVICES**

**RSM US LLP  
OFFICE OF FINANCE  
DISTRICT WIDE**

**THE CHANCELLOR RECOMMENDS:**

that the Board of Trustees authorizes the Chair to execute a professional services agreement with RSM US LLP (formerly McGladrey LLP) to provide External Audit Services for the period from March 3, 2016 through December 31, 2019, at a total cost not to exceed \$2,030,000.

**VENDOR:** RSM US LLP  
One South Wacker Drive, Suite 800  
Chicago, Illinois 60606

**USER:** District Wide

**TERM:**

The original term of the agreement shall commence on March 3, 2016 and will expire on December 31, 2019.

**SCOPE OF SERVICES:**

The District seeks to engage a RSM US LLP to audit the District's financial statements for the four fiscal years ending June 30, 2016, June 30, 2017, June 30, 2018, and June 30, 2019. These audits will be conducted in accordance with auditing standards generally accepted in the United States of America, Government Auditing Standards issued by the Comptroller General of the United States and the provisions of the Single Audit Act, US Office of Management and Budget ("OMB") Circular A-133, and the Illinois Community College Board's ("ICCB") Fiscal Management Manual.

**BENEFIT TO CITY COLLEGES OF CHICAGO:**

RSM US LLP has audited the District's financial statements for the fiscal years ended June 30, 2013, June 30, 2014, and June 30, 2015. RSM US has significant Illinois Community College audit experience, with eight current community college clients and extensive knowledge of ICCB requirements. The CCC engagement will be staffed by senior auditors with extensive experience working with the firm's other Illinois community college clients. The proposed work plan provides for an October 15<sup>th</sup> completion for all required reports and management letters, which was the completion dates of the last three CCC audits.

**VENDOR SELECTION CRITERIA:**

Specifications were prepared by District Procurement Staff and a Request for Proposal (RFP) #KP1502 was publicly advertised on December 1, 2015. Sixty three (63) companies were contacted. Thirteen (13) vendors attended the pre-submittal conference on December 8, 2015. Five (5) vendors responded to the RFP on December 21, 2015: 1) Baker Tilly Virchow Krause, LLP; 2) Clifton Larson Allen LLP; 3) Deloitte & Touche LLP; 4) Grant Thornton LLP; and 5) RSM US LLP.

All qualifications were reviewed, evaluated and ranked by an evaluation team that included staff from the Office of Finance, the Office of Internal Audit, the Office of Administrative and Procurement Services, and the Office of Business Services at Daley College.

The evaluation criteria included:

1. Overall capabilities of the firm
2. Proposed staff qualifications and experiences and size
3. Proposed plan of action for the execution of the requested scope of services
4. Past experience with similar services for educational institutions or government agencies
5. Firm’s PSA Affirmative Statement
6. Financial Information
7. Peer Review Report
8. M/WBE Compliance plan
9. Fees in relation to the Scope of Services

Based on the initial scoring of written proposals, the evaluation team recommended the following two firms be invited to make oral presentations:

1. Deloitte & Touche LLP
2. RSM US LLP

Based on the evaluations of each firm’s written and oral presentations, the proposed hours and fee structure, the evaluation team recommends acceptance of the proposal from RSM US LLP to provide External Auditing Services for the District.

**MBE/WBE COMPLIANCE:**

The Office of Contract Compliance has reviewed the proposed agreement and has determined the vendor is compliance with the Board Approved Participation Plan:

<u>Vendor</u>	<u>MBEor WBE</u>	<u>%</u>	<u>Participation</u>	<u>Certifying Agency</u>
Benford Brown & Associates, LLC 8334 S. Stony Island Chicago, IL 60617	WBE	7%	Direct	City of Chicago
Prado & Renteria Certified Public Accountants 1837 S. Michigan Ave. Chicago, IL 60616	MBE	25	Direct	City of Chicago



**GENERAL CONDITIONS:**

Inspector General – It shall be the duty of each party to the agreement to cooperate with the Inspector General for City Colleges of Chicago in any investigation conducted pursuant to the Inspector General’s authority under Article II, Section 2.7.4(b) of the Board Bylaws.

Ethics – It shall be the duty of each party to the agreement to comply with the applicable provisions of the Board’s Ethics Policy adopted January 7, 1993, and as amended by the Board.

Contingent Liability – Pursuant to Section 7-14 of the Illinois Public Community Act all agreements authorized herein shall contain a clause that any expenditure beyond the current fiscal year is subject to appropriation in the subsequent fiscal year.

**FINANCIAL:**

**Total FY16 – FY20:** \$2,030,000

**Charge To:** Office of Finance

**Source of Funds:** Audit Fund

**FY16:** 530000-04001-0010105-80000

**Respectfully submitted,**

**Cheryl L. Hyman  
Chancellor**

**March 3, 2016 – Office of Finance**