

AUTHORIZE NEW AGREEMENTS WITH VARIOUS VENDORS FOR AUDIT SERVICES**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Authorize new agreements with various vendors to provide audit services to the Department of Internal Audit and Compliance 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 7-3. Written agreements for Vendors' services are currently being negotiated. No services shall be provided by any Vendor and no payment shall be made to any Vendor prior to the 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 this agreement is stated below.

Specification Number : 19-350044

Contract Administrator : Cantero, Mrs. Nanzi / 773-553-2237

USER INFORMATION :

Contact: 10430 - Office of Internal Audit and Compliance
42 West Madison Street
Chicago, IL 60602
Jacob, Miss Angelica M
773-553-2526

TERM:

The term of each agreement shall commence on September 1, 2020 and shall end August 31, 2023. Each agreement 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 may provide internal audit services focused on the following categories: school audit execution, central office audit execution, risk assessment activities, and data analytics. Vendors will conduct audits as requested for either schools or central office departments as the need arises. Other projects may include risk assessment activities and data analytic projects.

DELIVERABLES:

Vendors may only provide audit services in the categories for which each is being awarded as specified in their Agreement. The categories and respective deliverables are the following:

1. School Audits - Executed audits and final audit reports identifying findings, recommendations and process improvements.
2. Central Office Audits - Executed audits and final audit reports identifying findings, recommendations, process improvements, and efficiency and cost savings opportunities.
3. Risk Assessment Activities - Documentation of agreed upon risk assessment activities including risk assessment interview notes, detailed risk registers, executive leadership and board presentation materials.

4. Data Analytics - Summary of results for agreed upon analytic project which may include findings, process improvements or cost saving opportunities.

OUTCOMES:

Vendors' services will result in the following:

1. Performing school audits in an accurate and timely manner.
2. Performing Central Office audits in an accurate and timely manner.
3. Performing assigned risk assessment activities in line with leading best practices.
4. Performing data analytic projects in an accurate and timely manner which increases department efficiencies.

COMPENSATION:

Each Vendor shall be paid as specified in their respective agreement; total compensation shall not-to-exceed \$2,250,000 in the aggregate for the three (3) year term of the Agreements. Future funding contingent on budget approval.

REIMBURSABLE EXPENSES:

None.

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 Chief Internal Audit Officer to execute all ancillary documents required to administer or effectuate this agreement.

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 6 vendors with 3 MBEs. 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, FY21
\$750,000, FY22
\$750,000, FY23

Not to exceed \$2,250,000 in the aggregate for all Vendors for the three (3) year term. 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.

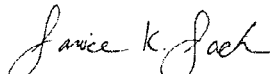
Contingent Liability - The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



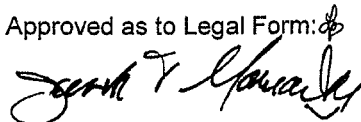
JONATHAN MAPLES
Chief Procurement Officer

Approved:



JANICE K. JACKSON
Chief Executive Officer

Approved as to Legal Form:



JOSEPH T. MORIARTY
General Counsel

- 1) Vendor # 19608
ADELFIA LLC
400 E. RANDOLPH STREET STE 700
CHICAGO, IL 60601

Maria F. Balita
312 240-9500

Categories: 1, 2 and 3 Ownership: Stella Marie Santos - 17.3%; Jennifer Roan-17.3%; Annabelle Abueg-17.3%; Maria Fides Balita-17.3% and Maria Divina Valera-17.3% 5)
- 2) Vendor # 96159
BRONNER GROUP, LLC
120 NORTH LASALLE STREET
CHICAGO, IL 60602

Marilyn Katzin
312 759-5101

Categories: 1, 2 and 3 Ownership: Gila J. Bronner - 100%
- 3) Vendor # 34134
Guidehouse Inc.
1800 Tysons Blvd, 7th floor
Mclean, VA 22102

Raveen Rao
630 650-1034

Categories: 2, 3 and 4 Ownership: Guidehouse LLP - 100%
- 4) Vendor # 23326
KPMG LLP
200 E RANDOLPH STREET
CHICAGO, IL 60601

James Czarnecki
312 665-3428

Categories: 1, 2, 3 and 4 Ownership: No partner or principal has more than 1% ownership
- 5) Vendor # 68985
RINGOLD FINANCIAL MANAGEMENT SERVICES, INC.
850 SOUTH WABASH AVENUE
CHICAGO, IL 60605

Michelle Ringold
312 566-9705

Categories: 1, 2 and 3 Ownership: Michelle Ringold - 100%
- 6) Vendor # 29778
RSM US LLP
1 SOUTH WACKER DRIVE
CHICAGO, IL 60606-3392

Nathaniel Ruey
312 634-3328

Categories: 2, 3 and 4 Ownership: No one partner owns more than 1%