

PUBLIC BUILDING COMMISSION OF CHICAGO
MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON DECEMBER 16, 2019

Public Building Commission of Chicago | Richard J. Daley Center | 50 West Washington Street, Room 200 | Chicago, Illinois 60602 | (312) 744-3090 | pbcchicago.com

The Audit Committee Meeting of the Public Building Commission of Chicago was held in the Board Room on the 2nd Floor, Richard J. Daley Center on December 16, 2019 at 12:00 noon.

The following Committee members attended:

Meeting Chair: Commissioner David Todd Whittley
Commissioner Samuel Wm. Sax
Commissioner Arnold Randall

Also attending:

Carina E. Sánchez
Lori Lypson
Tanya Foucher - Weekley
Mary Pat Witry
Bryant Payne
Ray Giderof
Lisa Giderof
Gina Baldwin
Patrice Doyle
Patricia Montenegro
Norma Perez
Anne Sheahan, Mayor's Office
Anne Fredd, Neal & Leroy

The meeting was called to order. The reading of the minutes of the June 27, 2019 meeting, which had previously been distributed, was dispensed with and upon motion duly made and seconded the minutes of said meeting were unanimously adopted.

Pursuant to Section 2.06(g) of the Open Meetings Act, a public comment period was held. No comments or statements were presented by any persons.

The PBC's Executive Director Carina E. Sánchez reported that the City of Chicago Office of Inspector General issued a follow up report, dated November 26, 2019, to the Construction Change Order Audit, issued by that office on June 12, 2018.

She stated that the PBC appreciates the Inspector General highlighting and acknowledging the improvements that the PBC has implemented to ensure more accuracy and increased transparency and that the PBC is committed to identifying process improvements to effectively deliver cost efficient and quality projects on behalf of our clients. We take management of our project budgets and client requirements very seriously.

Further, the PBC agreed with several of the recommendations and, prior to the release of the audit findings, and have already implemented a number of improvements including updated tools and templates, process improvements, organizational realignment and enhanced training for our development staff who were afforded more than twenty training sessions on a variety of project management topics.

These are the types of efforts, under the oversight of the PBC Board of Commissioners; that the PBC has implemented to enhance our internal controls. She stated that we will continue to improve upon our robust process to review and approve change orders and thanked the OIG for assisting us in making recommendations to create an even stronger system to safeguard public funds.

The Executive Director also thanked staff for their efforts in the process to procure the auditor for the PBC.

Members of the committee asked if any board action is required regarding this report. The Executive Director responded that the report is a follow-up of the original report issued in June 2018 and no formal action is needed.

The Audit Committee accepted the report from PBC's Executive Director.

Next, the PBC's Chief of Staff Lori Lypson provided a recommendation for Deloitte & Touche, LLP to provide Audit services to the PBC. She reported that the PBC publicly advertised Requests for Qualification and Proposals for firms interested in providing Audit Services to the PBC and received responses from two firms interested in providing the service. She reported that proposals were evaluated, and the firms were interviewed for experience, expertise of staff, pricing, qualifications and licenses and the firm's commitment to the plan for Minority and Women Business Enterprise utilization. Based on the consensus of the evaluation committee, Deloitte & Touche, LLP is recommended to provide Audit Services to the PBC. Further, Deloitte has made a commitment to 30% Minority Business Enterprise participation and 10% Women Business Enterprise participation by adding the firms of Washington Pittman & McKeever and Velma Butler & Co. to their audit team. The recommendation is for a master term agreement with Deloitte for a term of three years, with three optional extensions for one year each for an amount not to exceed \$1,500,000 over the six-year term. She reported that the team negotiated a reduced fee from the previous years' appointment.

The Audit Committee accepted the report from the PBC's Chief of Staff.

The meeting was adjourned.

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