



# Chicago Park District

## Legislation Details (With Text)

**File #:** 18-3145-1212 **Name:** 2018 Financial Audit Services  
**Type:** Action Item **Status:** Passed  
**File created:** 11/30/2018 **In control:** Board of Commissioners  
**On agenda:** 12/12/2018 **Final action:** 12/12/2018  
**Title:** AUTHORIZATION TO ENTER INTO A CONTRACT WITH  
RSM, US LLP,  
FOR 2018 TO 2020 ANNUAL FINANCIAL AUDIT AND REPORT ON FEDERAL AWARDS  
SPECIFICATION NO. P-18015  
**Sponsors:** Comptroller  
**Indexes:** Auditor  
**Code sections:**  
**Attachments:** 1. Schedules for RSM US

Date	Ver.	Action By	Action	Result
12/12/2018	1	Board of Commissioners	adopted	Pass

### AUTHORIZATION TO ENTER INTO A CONTRACT WITH RSM, US LLP, FOR 2018 TO 2020 ANNUAL FINANCIAL AUDIT AND REPORT ON FEDERAL AWARDS SPECIFICATION NO. P-18015

To the Honorable Board of Commissioners of the Chicago Park District

#### I. Recommendation

It is recommended that an order be entered authorizing the General Superintendent and CEO or his designee enter into a contract with RSM, US LLP ("RSM") for the purpose of providing auditing services to the Chicago Park District. The contractor was selected pursuant to a publicly advertised Request for Proposals ("RFP"). No work may commence and no payment shall be made to vendor prior to the execution of a written agreement.

#### II. Award Information

**Contractor:** RSM, US LLP  
1 South Wacker Drive, Ste. 800  
Chicago, Illinois 60606  
**Company Type:** General Partnership  
**Majority Interests:** See attached  
**Contract Type:** Professional Services Agreement  
**Contract Period:** Three (3) years and Two (2) year extension option.

Contract Amount: Not to exceed \$1,742,500

Scope of Services: To provide the Chicago Park District with professional auditing services and perform the annual audit of the basic financial statements and of the Schedule of Expenditures of Federal Awards of the CPD, as of and for the year ended December 31, 2018 and for each ensuing fiscal year through the life of the agreement.

**Affirmative**

Action Goals: The Minority- and Women-Owned Participation for this contract include: 25% Minority-Owned and 5% Women-Owned.

Authorization: Authorize the General Counsel to include other relevant terms and conditions in the written Agreement.  
Authorize the General Superintendent to execute the Agreement and the Secretary to attest to the signing of the Agreement and keep an original copy of the Agreement on file.

### **III. Budget and Financial Information**

Budget Classification: Operating  
Fiscal Year: FY19 (for audits of year ending December 31, 2018)  
Source of Funds: 001.8300.8300.623020.00001.01.01.00001

### **IV. Procurement Information**

Specification Number: P-18015  
Date Issued: October 19, 2018  
Date Proposals Due: November 13, 2018  
Number of Proposals Received: Seven (7)

This contract was publicly advertised as a Request for Proposals (“RFP”). Seven (7) proposals were received on the due date, and the Department of Purchasing deemed them responsive and compliant. The evaluation committee (“EC”) was comprised of CPD staff, and they began their evaluation of the proposals at their first meeting on November 14<sup>th</sup>, where the non-financial proposals were distributed. The second EC meeting was held on November 21<sup>st</sup>, where the EC discussed the non-financial proposals and distributed the cost proposals. The EC eliminated three (3) proposals due to minimal or no government audit experience. Consequently, the EC decided to invite four (4) proposers to oral presentations. Oral presentations were held on November 30<sup>th</sup>. The EC concluded their evaluation and unanimously scored RSM the highest.

### **V. Explanation**

The Office of the Comptroller is required to prepare an annual statement giving a full and detailed accounting of all receipts and expenditures during the preceding fiscal year. Such statements shall also detail the liabilities and resources of the Park District, and all other items necessary to exhibit its true financial condition. Said annual statement shall be accompanied by the certificate of a certified public accountant not connected with the Park District and who has been appointed by the Board. Such accountant shall certify that the statements contained in the Comptroller's report are true reflections of the books of his/her office, which books have been correctly kept. These reports include:

1. The CPD’s basic financial statements are comprised of the following:
  - Government-wide Financial Statements:
    - o Statement of Net Position
    - o Statement of Activities
  - Fund Financial Statements:
    - o Balance Sheet - Governmental Funds

- Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
  - Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
  - Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities
  - Fiduciary (Pension) Fund Financial Statements:
    - Statement of Fiduciary Net Position
    - Statement of Changes in Fiduciary Net Position
  - Notes to the Financial Statements and
2. The report on the Schedule of Expenditures of Federal Awards includes:
- Schedule of Expenditures of Federal Awards
  - Notes to Schedule of Expenditures of Federal Awards, and
  - Schedule of Findings and Questioned Costs

RSM has the experience and ability to provide these services for the CPD. Therefore, it is in the best interest of the Chicago Park District to recommend RSM US LLP for award for the 2018 to 2020 Annual Financial Audit and A133 Audit Services contract.

## VI. General Conditions

- 1) *Conflicts*: The Agreement shall not be legally binding on the Chicago Park District if entered into in violation of the provisions of 50 ILCS 105, the Public Officer Prohibited Activities Act.
- 2) *Ethics*: The Chicago Park District's Ethics Code, Chapter III of the Code of the Chicago Park District, shall be incorporated into and made part of the agreement.
- 3) *Contingent Liability*: Any agreement lawfully entered into for a period of more than one year shall be executory only for the amounts for which the Park District may become liable in succeeding fiscal years pursuant to Section 17(i) of the Chicago Park District Act, 70 ILCS 1505/17(i). 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 budget.
- 4) *Economic Disclosure Statement ("EDS")*: Contractor has submitted a full and complete EDS.