

**VILLAGE OF RIVER FOREST
REGULAR MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE
February 27, 2017**

A regular meeting of the Village of River Forest Finance & Administration Committee was held on Monday, February 27, 2017 at 6:30 p.m. in the Community Room of Village Hall, 400 Park Avenue, River Forest, IL.

1. CALL TO ORDER/ROLL CALL

The meeting was called to order at 6:30 p.m. Upon roll call, the following persons were:

Present: Chairperson/Trustee Corsini and Trustee Dwyer

Absent: Trustee Colwell-Steinke

Also Present: Village Administrator Eric Palm, Finance Director Joan Rock, Assistant Finance Director Cheryl Scott, Assistant Village Administrator Lisa Scheiner

2. PUBLIC COMMENT

None.

3. APPROVAL OF MINUTES

None.

4. REVIEW STAFF RECOMMENDATION TO APPROVE AN AGREEMENT WITH BKD, LLP FOR PROFESSIONAL AUDITING SERVICES

Assistant Finance Director Cheryl Scott and Finance Director Joan Rock described the Request for Proposal that was issued by the Village for professional auditing services. Finance Director Rock described the process that was used to evaluate the proposals that were received. She described the reasons that they did not select the lowest proposer, Klein Hall, including that they lacked municipal experience. The next lowest cost proposal was from BKD, who recently acquired Wolf and Company. Wolf and Company had previously acted as the Village's auditing firm. Finance Director Rock said that she requested that BKD modify the partner and team of auditors who conduct the Village's audit.

In response to a question from Trustee Corsini, Finance Director Rock confirmed that she asked the firms about their experience creating the Village's award-winning certification statement.

Finance Director Rock said that she did not know that when she asked BKD to include a different partner in their proposal that they would be the lowest qualified bidder. She said she is not concerned about their independence and the new partner will have a fresh set of eyes.

In response to a question from Trustee Dwyer, Finance Director Rock said that she had no prior concerns about their independence; however, the Village could have a policy that requires the rotation of partners or firms. She said prior to using Wolf and Company the Village used Miller Cooper as its auditing firm.

There was a discussion possible consideration of a policy regarding the rotation of auditing firms. Finance Director Rock noted that there currently is no policy. Trustee Corsini said that the Committee currently follows a policy to issue an RFP for services every five years. The Committee discussed the need to select a firm now and to examine a rotation policy at some point in the near future. The Committee members said that there is no pressing issue that requires implementation of a change now and discussed the possible timing of a change in policy if it were to be made.

Scott Termine, Partner at BKD, discussed studies regarding the benefits and challenges of rotating firms and stated that partner rotation is typically as effective as changing firms. He discussed the merger of BKD and Wolf and Company in 2014 and the changes that they made to their policies and procedures.

Trustee Corsini recommended that the Committee look at the policy at some point in the future and perhaps obtain additional information to review. She noted that this is a year to year engagement and the Village could opt to make a change in the next five years if desired.

Trustee Dwyer made a MOTION to recommend that the Village Board waive formal bidding and award a contract to BKD, LLP for professional auditing service in the amount of \$32,750. Corsini seconded the motion. MOTION PASSES unanimously by roll call vote.

5. ADJOURNMENT

MOTION made by Trustee Dwyer to adjourn the meeting. Seconded by Trustee Corsini. MOTION PASSES unanimously on voice vote.

The meeting was adjourned at 6:50 p.m.

