

**PUBLIC BUILDING COMMISSION OF CHICAGO
MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON
APRIL 24, 2014**

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 April 24, 2014 at 1:00 p.m.

The following Committee members attended

Commissioner Cabrera – Chairman
Commissioner Byron T. Brazier

Also attending:

Erin Lavin Cabonargi
Lori Lypson
Paul Spieles
Eileen Ryan
Daryl McNabb
Tanya Foucher-Weekley
Mary Pat Witry
Ilyas Lakada
Malisa Torres
Raven DeVaughn
Patricia.Montenegro
Lisa Giderof
Molly Sullivan
Kathleen Candela, Deloitte & Touche LLP
Angie Cipolla, Deloitte & Touche LLP
Langdon Neal, Neal & Leroy
Jeanette Sublett, Neal & Leroy
Maribeth Vander Weele, Vander Weele Group
Candace Hansford, Vander Weele Group
Don Olson, registered speaker
Kathryn Pensack, registered speaker

The reading of the minutes of the December 18, 2014 meeting, which had previously been distributed, was dispensed with and upon motion duly made and seconded the minutes of said meeting was unanimously adopted.

Next a public participation period was held pursuant to Section 2.06(g) of the Open Meetings Act. The following persons had previously registered to provide comments under the guidelines established by Resolution No 7611 approved by the Board of Commissioners on January 11, 2011: Kathryn Pensack and

Donald Olson. Ms. Pensack provided comments regarding PBC costs for building projects and Mr. Olson provided comments regarding construction costs as well as the Albany Park Branch Library Project.

Lori Lypson, Chief Operating Officer provided the Audit Committee with a comprehensive report regarding enhanced measures undertaken by the PBC in support of its commitment to the M/WBE program, including: continued collaboration with sister and assist agencies; review and enhancement of Internal Controls and Contract Compliance policies; updated compliance materials; and staff training. She recommended that PBC adopt federal guidelines (US Department of Transportation) to determine M/WBE utilization by certified M/WBE manufacturers, distributors or suppliers, or brokers as follows: Manufacturers – 100% of expenditures; Distributor or Supplier – 60% of expenditures; and Broker – 0% of expenditures.

The Committee accepted the report from the Chief Operating Officer.

Next, the PBC's Risk Manager, Eileen Ryan, advised the AO Committee that Deloitte & Touche LLP (Deloitte) was engaged to provide compliance attestation services to assist PBC with its evaluation of M/WBE reporting in the 2013 Year End Staff Report. Services will include a review of compliance reports, payment applications and invoices as selected for six (6) Job Order Construction (JOC) projects, 18 Design Build projects, eight (8) General Construction projects.

The Committee accepted the report from the PBC's Risk Manager.

Kathleen Candela, Director - Audit and Enterprise Risk Services, Chicago Inclusion Leader, Deloitte & Touche LLP reported that the attestation work is underway and at this point expects to complete the assignment in the near future and will provide the final results.

The report was accepted.

An Executive Session was convened under Section 2(c)29 of the Open Meetings Act for the purpose of discussing the PBC Inspector General (IG) First Quarter Report dated April 1, 2014 as well as a Legal Counsel report on the PBC Inspector General (IG) Report of Investigation.

PBC Inspector General Maribeth Vander Weele provided the First Quarter 2014 Inspector General Report.

Thereafter, PBC Legal Counsel provided a report on the status of a pending Inspector General Final Report. No action was taken by the Audit Committee during the Executive Session which required a vote during the Open Meeting.

The meeting was moved back into regular session and adjourned.