

**MINUTES OF THE SPECIAL MEETING OF THE FINANCE
COMMITTEE OF THE BOARD OF LIBRARY TRUSTEES
OF THE VILLAGE OF CAROL STREAM**

DATE: December 13, 2011

Time: 6:30 p.m.

PLACE: Discovery Room

1. Call to Order

Trustee Arends called the Special Meeting of the Finance Committee to order at 6:30 p.m.

Trustee Arends led those in attendance in the Pledge to the Flag.

2. Roll Call

The roll was taken by recognition.

Present: Trustees Arends, Hudspeath, Wade and Douglas (Ex-officio)

Also Present: Trustees Bailey, DeRango and Jeffrey, Library Director Ann Kennedy,
Assistant Director Pam Leffler

Trustee Arends reviewed the Agenda for the meeting and thanked everyone for coming.

3. Discussion, Re: Proposals for Audit Services

Director Kennedy explained that the RFP for Audit services was sent to nine firms. One firm, Miller, Cooper & Co., declined to submit. Proposals were received from two other firms, Sikich Inc. and Knutte & Associates by the proposal deadline. Director Kennedy contacted three other firms to find out why they did not submit proposals. One firm, Manning Silverman, declined to bid. They felt it would not be worthwhile because they do not have a background in audits for government entities. The other firms stated they had not received the RFP documents in the mail. Lauterbach & Amen expressed an interest in bidding but nothing was received by 5:00 p.m., December 13. After being contacted by Director Kennedy, a proposal was received from Wolf & Co. and copies were distributed to Committee members at the meeting.

Trustee Arends stated that he had looked at the proposal from Sikich and was impressed. Trustee Arends asked if Sikich would be changing engagement partners. Director Kennedy stated that Dan Berg would be the partner with Brian LeFevre serving as backup. Trustee Arends stated that the proposal from Sikich quotes a higher cost than the proposal from Knutte but the difference over a five year period is only \$1500. Trustee Arends said that he doesn't want to minimize the \$1500, but Sikich said up front that they

are a bigger firm. Trustee Arends said that he is inclined to pay more if it is a good firm with which the Library is comfortable.

Trustee Hudspeath stated that Sikich points out that there is an additional fee to implement GASB 54 but Knutte did not mention it. Director Kennedy was instructed to ask Knutte how they would assist with complying with GASB 54 and to clarify the fees they would charge after the first year. Director Kennedy was also instructed to contact Wolf & Co. for an estimate on costs after the first year.

Trustee Arends asked the Committee members if the firms which did not respond should be contacted. President Douglas stated that he would prefer to see more than three proposals and asked if there was enough time to extend the process. Director Kennedy stated that she felt it could be extended another month. Trustee Wade stated that he felt it was a warning flag that some firms never received the RFP.

President Douglas and Trustee Arends reiterated that there is nothing wrong with Sikich but that it is a good practice to change auditors and have a 'new set of eyes' look at the books.

President Douglas stated that the Committee could rank the proposals as they come in and that the big discriminator will be the price. Trustee Arends stated that there are a lot of similarities between the proposals and it will be hard to discern differences unless we interview them. President Douglas stated that Director Kennedy will call the other libraries for references.

Trustee Arends asked for a consensus to approach the remaining firms and extend the deadline for proposals to the end of December. Consensus was for Director Kennedy to contact the remaining firms about submitting proposals and to extend the deadline to December 30.

The Finance Committee will meet on Thursday, January 5, 2012 at 6:30 to consider the audit proposals.

4. Adjournment

There being no further business to come before the Finance Committee, the Meeting was adjourned at 7:00 p.m.

Approved (date)

Ann Kennedy, Library Director
For the Finance Committee