



# Chicago Metropolitan Agency for Planning

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## Executive Committee Meeting Minutes

August 28, 2007

Cook County Conference Room  
Suite 800, 233 S. Wacker Drive, Sears Tower, Chicago, Illinois

**Board Members Present:** Rita Athas (Deputy Chief of Staff, City of Chicago), Gerald R. Bennett-Chair (Mayor, City of Palos Hills), Elliott Hartstein (Mayor, Village of Buffalo Grove), Al Larson (Mayor, Village of Schaumburg) and Nigel Telman (Partner, Sidley Austin, LLP)

**Others Present:** Don Perkins and CMAP Executive Director Randy Blankenhorn, Jill Leary, Dolores Dowdle, Gordon Smith, Tom Garritano, Murtaza Ali and Sherry Kane.

### 1.0 Call to Order

Mayor Gerald Bennett of Palos Hills and Chair of the Executive Committee of the Chicago Metropolitan Agency for Planning, called the meeting to order at 8:40 a.m.

### 2.0 Agenda Changes and Announcements

There were no agenda changes or announcements.

### 3.0 Approval of Minutes

A motion to approve the minutes of the June 13, 2007 Executive Committee Meeting was made by Mayor Elliott Hartstein and seconded by Rita Athas. A minor correction was noted, Mayor Larson was absent for the May 9 meeting and therefore abstained from voting. All others in favor, however, the motion carried.

### 4.0 Presentation

Executive Director Randy Blankenhorn introduces Mr. Don Perkins who had graciously accepted an invitation to talk to the Executive Committee regarding financial oversight. Mr. Perkins, a former CEO of Jewel Companies and NIPC Commissioner, created the Civic Committee of the Commercial Club of Chicago that created Chicago Metropolis 2020, who was instrumental in forming CMAP.

Having reviewed some of CMAP's background materials (minutes and by-laws), Mr. Perkins suggested that there are four basic areas board members should place their concern: financial oversight, compensation of management, succession planning and

strategy. Coming from a “trust, but verify” basis, Perkins agrees that CMAP’s Executive Committee could act in the capacity of financial oversight or audit committee for the board, offered the following:

- #1: The Executive Committee should have annual contact with the agency’s auditors. Consideration may also be given to engaging the service of one of the major auditing firms, pro-bono to review internal controls. Referencing Sarbanes that may have gone too far, Perkins suggests that if management signs off on financials, those should be personally reviewed, expenses of senior staff should be reviewed, and contract involvements offer opportunities for conflicts (could be innocent, even accidental).
- #2: As a safeguard, annual conflict of interest, statement of economic interests should be completed by board members and management staff.
- #3: While staff reported that the audit was “clean”, it is never 100% which is another reason to meet with auditors.
- #4: Agency needs to be transparent i.e., if annual report includes financials, then the board should sign off individually (no scanning).
- #5: Strengthen oversight, look for red flags, make sure the “systems” are good as determined by an outsider and make sure that management is living up to those controls, which may also be reviewed by the outsider. If there are no controls, get them!

Finally, Perkins suggested regarding contracts, at the time the contract is presented for approval under a roll-call vote, perhaps each board member could “vote and have no conflict”.

For the 15-20 over \$25,000 contracts that the board actually approves, it is agreed that Staff will provide sufficient information to the board prior to the meeting that will allow enough lead way for each member to decide if a potential conflict exists.

Relating to reporting, staff will provide a check register report each month to the Committee, along with summaries by expense category and detail provided on expenditures \$10,000 or greater, along with this year balances, this year versus budget and this year versus last year. Percent complete at project level is also desirable.

The Board Chair approves the Executive Director’s expenses. In the future, however, a copy of this should be directed to the Executive Committee. The Executive Director should review expenses that the Deputy Executive Directors approve as well as all out-of-region travel.

## **5.0 Contract Approvals**

Executive Director Blankenhorn reviewed Grants, Subcontracts and Procurements memo submitted by Deputy Executive Director of Finance & Admin Dolores Dowdle that lists those grants received since July 1, 2007 and pending grant proposals as well as Grants and Agreements and Subcontracts and Procurements where approval is sought or the procurement is pending. When requesting a waiver (i.e., sole source or not the lowest

bidder) staff will provide an explanation in writing to the board. The contract with the University of Illinois Chicago in the amount of \$128,204.92 covering the internship program for research assistants is one such case, as this type of work is exempt from competitive bidding process by law. A motion by Mayor Elliott Hartstein to approve the contract with the University of Illinois is seconded by Mayor Al Larson. All in favor, the motion carried. The format used to present this reporting was well received.

#### **6.0 DRAFT Annual Report**

Very briefly, the annual report presented in draft form, approval of which will be sought in September will be released at the October board meeting. One suggestion is made to include all committees' members' names.

#### **7.0 By-Laws Revisions**

Executive Director Blankenhorn, again very briefly, reported that the by-laws require revision to change the agency name to Chicago Metropolitan Agency for Planning, to cover changes as a result of SB 1201 and possibly to address board member attendance related to a 4/5 majority for approvals. A draft will be submitted in September for approval at the October meeting.

#### **8.0 Other Business**

Regarding SB 1201, today concludes the sixty day period under which the bill approved by the General Assembly and forwarded to the Governor's office becomes law.

#### **9.0 Public Comment**

There were no public comments.

#### **10.0 Adjournment**

At approximately 9:40 a.m., a motion to adjourn that was made by Mayor Larson and seconded by Mayor Hartstein passed unanimously.

Respectfully submitted,



Sherry Kane, Executive Assistant

/stk  
09-06-07

*Approved as presented by unanimous vote October 10, 2007.*