



# BENNING GROUP, LLC

CERTIFIED PUBLIC ACCOUNTANTS

www.BenningGroup.com

January 31, 2024

Meridian Community Unit School District 223  
Attn: Dr. Joe Mullikin, Assistant Superintendent  
207 W. Main St.  
Stillman Valley, IL 61084

It is a pleasure to respond to your request for proposal for auditing services for Meridian Community Unit School District 223 (District) for the years ending June 30, 2024 through June 30, 2026, with the option to renew for the 2027 and 2028 fiscal years. Benning Group, LLC (Benning Group) has served the District as its audit firm for the past twelve years. We welcome the opportunity to present this proposal to you and express our strong desire to continue to serve the District in that capacity.

We understand from the request for proposal (RFP) that the District is requesting the following services for the years ending June 30, 2024 through June 30, 2028:

We will perform an independent audit of the District's annual financial statements, prepared on the regulatory basis of accounting as prescribed by the Illinois State Board of Education, performed in accordance with generally accepted auditing standards and governmental auditing standards, including preparation and submission of ISBE form 50-35 (Annual Financial Report). Additionally, we would prepare the related management letter and other required communications with those charged with governance.

Our fees for the above services will be:

**FY2024 Audit fees – \$30,800**  
**FY2025 Audit fees – \$33,200**  
**FY2026 Audit fees – \$35,800**  
**FY2027 Audit fees – \$38,600 (renewal option)**  
**FY2028 Audit fees – \$41,700 (renewal option)**

In the event the District expends more than \$750,000 in Federal grant programs during any of the fiscal years under audit, additional procedures for a Single Audit following the requirements of the Uniform Guidance will be performed for that year as follows:

**FY2024 \$5,000**  
**FY2025 \$5,250**  
**FY2026 \$5,500**  
**FY2027 \$5,750**  
**FY2028 \$6,000**

50 W. Douglas Street, Suite 300  
Freeport, Illinois 61032  
(815) 235-3157  
Fax (815) 235-3158

6815 Weaver Road, Suite 300  
Rockford, Illinois 61114  
(815) 316-2375  
Fax (815) 316-2389

1809 10<sup>th</sup> Street  
Monroe, Wisconsin 53566  
(608) 325-5035  
Fax (608) 328-2843

The proposed fees are based upon receiving general assistance from the District's staff. This includes having the District's records ready for audit and providing us with completed bank reconciliations, covering all funds, requested audit summary schedules, and properly balanced trial balances. District staff will also assist with locating source documentation as requested annually during our audit planning and providing all items necessary for the audit completion process. If significant additional audit time is required due to unexpected circumstances on the part of the District, we will discuss this with you and arrive at a new fee estimate before incurring additional costs.

Our fees are based on the accounting, reporting, and auditing standards currently in effect as of June 30, 2024. If changes in any of these standards should arise during the term of this agreement which require significant additional audit resources, Benning Group will communicate to the District the corresponding increase in fees due to those changes before formally engaging for each year.

Our fees also include communications with the District as a resource throughout the year for explanations, questions on new regulations, or other questions involving accounting and recording practices. While the auditors cannot be part of the District's internal control procedures, we can be available for providing guidance on best practices. We encourage our clients to ask questions throughout the year when issues arise as opposed to waiting until year-end. We do not bill separately for such routine questions and conversations throughout the year. We feel such communication through the year enhances the services we provide and, ultimately, results in us having a better understanding of your organization in general. We would advise you before beginning any additional research or other work that would require an increase in fees. Our current hourly billing rates for work outside of the scope of the audit range from \$140 per hour for junior staff to \$300 per hour for partners.

The proposal has been structured to meet the scope of audit and nature of services as outlined in your request for proposal. We would anticipate working with District personnel to perform preliminary fieldwork in June, on-site fieldwork in July or August, and target having drafts completed by mid to late September. This timeframe would allow drafts to be reviewed with management, with final reports issued in sufficient time for review and analysis before October 15. Firm representative(s) would arrange to be available to meet with the Superintendent and/or other designees or committees of the District to present and discuss any or all reports as required. Our timeframe is conditional, of course, on the District being prepared for the audit according to the schedule outlined above.

Please feel free to contact us to discuss any portions of this proposal, which is a firm and irrevocable offer for the next 90 days. We would be available to meet with the Superintendent, Assistant Superintendent, or board of education to answer any questions which may arise. For your reference, the persons authorized by Benning Group to make representations regarding this proposal on behalf of the firm are as follows: Jenny Blocker, Managing Partner (jblocker@benninggroup.com); Kyle DeMus, Partner (kdemus@benninggroup.com); Kyle Polhill, Partner (kpolhill@benninggroup.com)

Very truly yours,

**BENNING GROUP, LLC**

A handwritten signature in black ink, appearing to read 'Jenny L. Blocker', with a long horizontal flourish extending to the right.

Jenny L. Blocker, CPA  
Managing Partner