

**Audit Proposal
Gavin School District 37
25775 W. Highway 134
Ingleside, Illinois 60041**

Submitted By:

**Evans, Marshall and Pease, P.C.
1875 Hicks Road
Rolling Meadows, Illinois 60008
(847) 221-5700**

Contact Person:

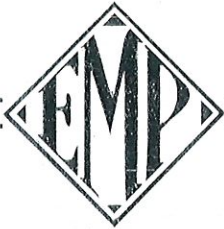
Mr. Jeffery M. Rollefson, C.P.A.

Proposal Date:

December 3, 2019

Audit Proposal
Gavin School District 37
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EVANS, MARSHALL & PEASE, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

Telephone (847) 221-5700
Facsimile (847) 221-5701

1875 Hicks Road
Rolling Meadows, Illinois 60008

Letter of Transmittal

Board of Education
Gavin School District 37
25775 W. Highway 134
Ingleside, IL 60041

Enclosed is our proposal for audit services for Gavin School District 37. We would like to extend our thanks for giving us the opportunity to offer our services to your District. Your District has an opportunity to retain the services of one of the most experienced and highly qualified public accounting firms in the area, as evidenced by our one hundred two year history. We believe our broad experience in accounting, auditing and consulting services for Illinois school districts and other public agencies provides us the means with which to effectively serve Gavin School District 37.

We will audit the financial statements for Gavin School District 37 for the purpose of expressing an opinion on them. Our audit will be made in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the provisions of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and, accordingly, will include such tests of the accounting records and such other auditing procedures as we consider necessary to enable us to express an unqualified opinion that the financial statements are fairly presented, in all material respects, in conformity with the cash basis of accounting. If our opinion is other than unqualified, we will fully discuss the reasons with you in advance.

At the conclusion of our engagement we will present the requisite Audit Report, the Annual Financial Report, as submitted to ISBE, a management letter, and all required reports relating to federal financial assistance, as necessary.

Our audit fees for the services described above are \$11,000, \$11,200 and \$11,400 for the fiscal years ended June 30, 2020, 2021, 2022, respectively. Our policy is to invoice upon completion and delivery of reports, however we reserve the right to invoice half at the end of fieldwork should circumstances warrant. Upon acceptance of this proposal we will issue an engagement letter detailing our understanding of the terms and scope of our engagement. As with many of our other governmental clients, we would hope this will begin a long-lasting relationship with your District.

We will, of course, be available to you at any time in order to meet your accounting, auditing or consulting requirements. We would like to point out that Evans, Marshall and Pease, P.C. does not charge for telephone consultations of reasonable duration. However, consultation beyond the

scope of our engagement requiring substantial time investment will be billed accordingly. Our normal hourly rates vary between \$150 and \$200 per hour, depending on the nature of the work involved and the experience level of the person needed to perform the task. If this should occur, you will be fully informed as soon as possible.

Evans, Marshall and Pease, P.C. provides a vast range of auditing, accounting, tax and management services. In addition to municipal audits, we provide assistance in the areas of budgeting, tax levy preparation, and bonds, including refunding and capital appreciation. Whereas our main concentration is in the area of school district and other municipal audits, we also audit financial institutions and other small and medium sized businesses. In addition, we provide individual, corporate, and fiduciary tax planning and preparation, as well as comprehensive accounting services to businesses.

We believe that the primary consideration in evaluating a professional firm should be the caliber and integrity of the individuals with whom you will be in contact and the quality and responsiveness of the services you receive. Evans, Marshall and Pease, P.C. is proud to have been involved in school district and other municipal accounting and auditing in Illinois for the past one hundred years and we are confident that we can meet the highest standards of competence and service.

Again, we sincerely appreciate the opportunity to offer our expertise and experience to Gavin School District 37 and we would be very pleased to discuss any questions that may arise concerning the above or our firm and its operations.

Very truly yours,

Evans, Marshall and, Pease, P.C.

Jeffery M. Rollefson, C.P.A.

By: Jeffery M. Rollefson, C.P.A.

Firm Profile
Evans, Marshall and Pease, P.C.
Certified Public Accountants
1875 Hicks Road
Rolling Meadows, Illinois 60008

Evans, Marshall and Pease, P.C. is a professional corporation for the practice of public accounting in the State of Illinois. We have one local office consisting of two principals, one audit supervisor, two staff auditors and other support staff. We have never bid jobs as a means of filling "slow times" nor do we hire temporary help during the "peak times". To that end, we try to build long-term relationships with our employees, as with our clients, and believe this carries over to the quality of the work the firm does. Our approach is to do quality work, delivered in a timely manner, at a fair price.

As you consider our proposal, we ask that you give special attention to our unique ability to provide the services that meet your needs. Evans, Marshall and Pease, P.C. has been in continuous existence since 1917 and has enjoyed mutually beneficial and successful relationships with our clients, some in excess of seventy years. These relationships have been built on our philosophy of retaining quality, career-oriented people coupled with the commitment to do quality work that helps the client move forward, not just doing the minimum work possible and churning out a report. This does make it hard to compete with some firms, but, long ago, we made the commitment to the quality of our work not the quantity of our work.

Evans, Marshall and Pease, P.C. is committed to excellence in school district reporting and auditing and to that end has been involved in governmental accounting training and report review programs, both on the local and national levels. We strictly adhere to the continuing professional education requirements of both the American Institute of Certified Public Accountants and the General Accounting Office of the United States.

As stated earlier, Evans, Marshall and Pease, P.C. provides a vast range of services. In addition to municipal audits, we provide assistance in the areas of budgeting, tax levy preparation, and bonds, including refunding and capital appreciation. Whereas our main concentration is in the area of municipal audits, we also audit and provide services to financial institutions and other small and medium sized businesses and individuals.

Summary of Firm Qualifications

Evans, Marshall and Pease, P.C. is a Professional Corporation for the practice of Public Accounting and holds Illinois License Number 060-003973. In addition we are registered with the Auditor General's Office of the State of Illinois and hold an Illinois Department of Human Resources number 77406-00-0.

Jeffery M. Rollefson, C.P.A.

Mr. Rollefson graduated from Illinois State University with a Bachelor of Science degree in 1982 and became a C.P.A. that same year. Jeff joined Evans, Marshall and Pease as a staff accountant in 1983 and was admitted as a partner in 1990.

Jeff is responsible for numerous governmental and school district audits as an in charge partner and has participated in a number of local, state and national training and report review programs related to governmental accounting, auditing and reporting.

In addition, Jeff is an active member in a number of professional and charitable organizations such as the American Institute of Certified Public Accountants, the Illinois CPA Society, and the Illinois Association of School Business Officials.

Christopher M. Scalet, C.P.A.

Mr. Scalet graduated from Illinois State University with a Bachelor of Science degree in 2008 and became a C.P.A. in 2015. Chris joined Evans, Marshall and Pease as a staff accountant/auditor in 2009 and was admitted as a partner in 2015.

Chris is responsible for governmental and school district audits. He has participated in numerous local, state and national training programs related to governmental accounting, auditing and reporting. In addition, Chris is an active member in the American Institute of Certified Public Accountants.

Services to be Provided

Audit approach:

We will endeavor to be as unobtrusive as possible in order not to interrupt the daily routine of your business office.

Our procedures will include a review, analysis and documentation of the design and operations of the internal control structure. In addition, our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of certain assets and liabilities by correspondence with selected governmental agencies, individuals, depositories and legal counsel, if necessary. At the conclusion of our fieldwork, we will request written representations from you about the financial statements and related matters.

Tentative schedule of completion:

Preliminary phase:

Principal:

Meeting with prior auditors and review of work papers.

Review prior year reports and management letter.

Risk assessment.

Prepare audit work program.

Preliminary field work.

Main field work phase:

Principal and one staff:

Review and abstract board minutes and review pending litigation.

Complete analytical review procedures.

Amend audit work program, as required.

Prepare trial balances.

Prepare third party confirmation requests and attorney letter(s).

Analyze and reconcile balance sheet accounts and compare to supporting schedules as they exist.

Perform test procedures on income and expense accounts.

Services to be Provided
(Continued)

Reconcile and analyze all student activity and convenience accounts, review all activity for compliance with applicable laws and regulations.

Report preparation phase:

Principal and support:

Preparation of:

Financial report

Annual Financial Report

Review and conveyance phase:

Principal:

Review reports and any required adjusting journal entries with District staff.

Presentation to Board of Education, if necessary.

References

1. Huntley Community School District 158
650 Academic Drive
Algonquin, IL 60102
(847) 659-6158

Contact: Mark Altmayer, Chief Financial Officer

2. Woodstock CUSD No. 200 (Certificate of Excellence)
2990 Raffel Road
Woodstock, IL 60098
(815) 338-8204

Contact: Risa Hanson, Chief Financial Officer

3. Waukegan C.U.S.D. 60 (Certificate of Excellence)
1201 N. Sheridan Road
Waukegan, IL 60085
(847) 360-5417

Contact: Gwendolyn Polk, Associate Superintendent of Business Services

4. Wauconda Community S. D. 118
555 N. Main Street
Wauconda, IL 60084
(847) 526-7690

Contact: William Harken, Associate Superintendent of Business Services

5. Woodland C.C.S.D. 50
1105 North Hunt Club Road
Gurnee, IL 60031
(847) 856-3577

Contact: Christopher Bobek, Associate Superintendent of Business Services

FEE SUMMARY SCHEDULE

	<u>Proposed Audit Fee</u>	<u>Additional Hourly Rate</u>
FY 2019-20 Audit Services:	\$11,000	\$150
FY 2020-21 Audit Services:	\$11,200	\$150
FY 2021-22 Audit Services:	\$11,400	\$150

Submitted by:

Evans, Marshall & Pease, P.C.
1875 Hicks Road
Rolling Meadows IL 60008
847-221-5700 / 847-221-5701

Jeffery M. Rollefson, Partner
847-221-5700
jeff@empcpa.com

Signature: _____





May, Cocagne & King, P.C.

Certified Public Accountants and Consultants

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ANDREW D. THOMAS
HELGA J. TOWLER
WILLIAM R. MOSS
CATHERINE J. MANSUR
STEVEN R. GROHNE
MARK S. WOOD
CHRISTIE K. STINSON
CRAIG T. NEGANGARD
DAVID S. BROWN

Report on the Firm's System of Quality Control

To the Partners of Evans, Marshall & Pease, P.C. and the
Peer Review Committee of the Illinois CPA Society

We have reviewed the system of quality control for the accounting and auditing practice of Evans, Marshall & Pease, P.C. (the firm) in effect for the year ended June 30, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Evans, Marshall & Pease, P.C.
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Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Evans, Marshall & Pease, P.C. in effect for the year ended June 30, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Evans, Marshall & Pease, P.C. has received a peer review rating of *pass*.

Mary Cooper & King, P.C.

January 18, 2018