



Baker Tilly Virchow Krause, LLP
1301 W 22nd St, Ste 400
Oak Brook, IL 60523-3389

T: +1 (630) 990 3131
F: +1 (630) 990 0039

bakertilly.com

March 9, 2020

Mr. Patrick King
Oak Park Elementary School District 97
260 Madison Street
Oak Park, Illinois 60302

Dear Mr. King:

Thank you for using Baker Tilly Virchow Krause, LLP ("Baker Tilly" or "we" or "our") as your accountants and business advisors.

We are pleased to confirm our understanding of the nature and limitations of the services we are to provide for Oak Park Elementary School District 97 (the "District" or "you").

Services and Related Report

We currently expect to perform the agreed-upon procedures listed in Appendix A that were specified and agreed to by the management of Oak Park Elementary School District 97 and School Employee Loss Fund ("SELF") ("specified parties") on the procedures performed on the School Employee Loss Fund ("SELF") Actual Payroll Request form for period of July 1, 2019 through June 30, 2020 ("subject matter") of Oak Park Elementary School District 97 in accordance with the procedures set forth by the School Employee Loss Fund ("SELF") ("criteria") for July 1, 2019 through June 30, 2020.

We expect to issue a written report upon completion of our engagement that lists the procedures performed and our findings. Our report will be addressed to the management of Oak Park Elementary School District 97 and SELF. You understand that the report is intended solely for the information and use of specified parties, and should not be used by anyone other than these specified parties. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you. If, for any reason, we are unable to complete any of the procedures, or if we determine in our professional judgment the circumstances necessitate, we will describe in our report any restrictions on the performance of the procedures, or may withdraw and decline to issue a report as a result of this engagement.

Our Responsibilities and Limitations

Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures performed is solely the responsibility of the specified parties and we will require an acknowledgment of that responsibility. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which this report has been requested or for any other purpose.

March 9, 2020

Page 2

Because the agreed-upon procedures listed in Appendix A do not constitute an examination or review, we will not express an opinion or conclusion on the subject matter. In addition, we have no obligation to perform any procedures beyond those listed in Appendix A.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations; however, we will communicate to you any known and suspected fraud and noncompliance with laws or regulations affecting the subject matter that come to our attention. In addition, if, in connection with this engagement, matters come to our attention that contradict the subject matter, we will disclose those matters in our report. Such disclosures, if any, may not necessarily include all matters that might have come to our attention had we performed additional procedures or an examination or review.

Management's Responsibilities

You are responsible for the subject matter and that it is in accordance with the criteria; and for selecting the criteria and procedures and determining that such criteria and procedures are appropriate for your purposes. You are also responsible for, and agree to provide us with, a written assertion about the subject matter. In addition, you are responsible for providing us with (1) access to all information of which you are aware that is relevant to the performance of the agreed-upon procedures on the subject matter, (2) additional information that we may request for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence relating to performing those procedures.

At the conclusion of our engagement, we will require certain representations in the form of a representation letter from management that, among other things, will confirm management's responsibility for the subject matter in accordance with the criteria.

If the need for additional procedures arises, or the procedures need to be modified, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their agreement with the procedures performed or to be performed and their responsibility for the sufficiency of procedures.

Nonattest Services

Prior to or as part of our engagement, it may be necessary for us to perform certain nonattest services. Nonattest services that we will be providing are as follows:

- a. Preparation of financial statements and the schedule of expenditures of federal awards
- b. Adjusting journal entries
- c. Compiled regulatory reports
- d. Trial balance formatting from general ledger data
- e. Preparation of auditee section of data collection form
- f. Site based reporting consulting

We will not perform any management functions or make management decisions on your behalf with respect to any nonattest services we provide.

March 9, 2020

Page 3

In connection with our performance of any nonattest services, you agree that you will:

- > Continue to make all management decisions and perform all management functions.
- > Designate a competent employee with suitable skill, knowledge and/or experience, preferably within senior management, to oversee the services we perform.
- > Evaluate the adequacy and results of the nonattest services we perform.
- > Accept responsibility for the results of our nonattest services.
- > Establish and maintain internal controls, including monitoring ongoing activities related to the nonattest function.

Timing and Fees

We plan to begin our procedures as soon as we receive the necessary information and, unless unforeseeable problems are encountered, the engagement should be completed by early November. Completion of our work is subject to, among other things, (i) appropriate cooperation from the District's personnel, including timely preparation of necessary schedules and (ii) timely responses to our inquiries. When and if for any reason the District is unable to provide such schedules, information and assistance, Baker Tilly Virchow Krause, LLP and you may mutually revise the fee to reflect additional services, if any, required of us to complete the engagement.

Our fees for these services will be \$600. Invoices for these fees will be rendered each month as work progresses and are payable on presentation. A charge of 1.5% per month shall be imposed on accounts not paid within thirty (30) days of receipt of our statement for services provided. In accordance with our firm policies, work may be suspended if your account becomes thirty (30) days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notice of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

Any additional services that may be requested, and we agree to provide, may be the subject of separate arrangements.

We may be required to disclose confidential information to federal, state and international regulatory bodies or a court in criminal or other civil litigation. In the event that we receive a request from a third party (including a subpoena, summons or discovery demand in litigation) calling for the production of information, we will promptly notify the District, unless otherwise prohibited. In the event we are requested by the District or required by government regulation, subpoena or other legal process to produce our engagement working papers or our personnel as witnesses with respect to services rendered to the District, so long as we are not a party to the proceeding in which the information is sought, we may seek reimbursement for our professional time and expenses, as well as the fees and legal expenses, incurred in responding to such a request.

Resolution of Disagreements

In the unlikely event that differences concerning services or fees should arise that are not resolved by mutual agreement, both parties agree to attempt in good faith to settle the dispute by mediation administered by the American Arbitration Association ("AAA") under its mediation rules for professional accounting and related services disputes before resorting to litigation or any other dispute-resolution procedure. Each party shall bear their own expenses from mediation.

March 9, 2020

Page 4

If mediation does not settle the dispute or claim, then the parties agree that the dispute or claim shall be settled by binding arbitration. The arbitration proceeding shall take place in the city in which the Baker Tilly office providing the relevant services is located, unless the parties mutually agree to a different location. The proceeding shall be governed by the provisions of the Federal Arbitration Act ("FAA") and will proceed in accordance with the then current Arbitration Rules for Professional Accounting and Related Disputes of the AAA, except that no pre-hearing discovery shall be permitted unless specifically authorized by the arbitrator. The arbitrator will be selected from AAA, Judicial Arbitration & Mediation Services ("JAMS"), the Center for Public Resources or any other internationally or nationally-recognized organization mutually agreed upon by the parties. Potential arbitrator names will be exchanged within fifteen (15) days of the parties' agreement to settle the dispute or claim by binding arbitration, and arbitration will thereafter proceed expeditiously. The arbitration will be conducted before a single arbitrator, experienced in accounting and auditing matters. The arbitrator shall have no authority to award non-monetary or equitable relief and will not have the right to award punitive damages. The award of the arbitration shall be in writing and shall be accompanied by a well-reasoned opinion. The award issued by the arbitrator may be confirmed in a judgment by any federal or state court of competent jurisdiction. Each party shall be responsible for their own costs associated with the arbitration, except that the costs of the arbitrator shall be equally divided by the parties. The arbitration proceeding and all information disclosed during the arbitration shall be maintained as confidential, except as may be required for disclosure to professional or regulatory bodies or in a related confidential arbitration. In no event shall a demand for arbitration be made after the date when institution of legal or equitable proceedings based on such claim would be barred under the applicable statute of limitations.

Our services shall be evaluated solely on our substantial conformance with the terms expressly set forth herein, including all applicable professional standards. Any claim of nonconformance must be clearly and convincingly shown.

Limitation on Damages and Indemnification

The liability (including attorney's fees and all other costs) of Baker Tilly and its present or former partners, principals, agents or employees related to any claim for damages relating to the services performed under this Engagement Letter shall not exceed the fees paid to Baker Tilly for the portion of the work to which the claim relates, except to the extent finally determined to have resulted from the willful misconduct or fraudulent behavior of Baker Tilly relating to such services. This limitation of liability is intended to apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted, including the negligence of either party. Additionally, in no event shall either party be liable for any lost profits, lost business opportunity, lost data, consequential, special, incidental, exemplary or punitive damages, delays or interruptions arising out of or related to this Engagement Letter even if the other party has been advised of the possibility of such damages.

As Baker Tilly is performing the services solely for your benefit, you will indemnify Baker Tilly, its subsidiaries and their present or former partners, principals, employees, officers and agents against all costs, fees, expenses, damages and liabilities (including attorneys' fees and all defense costs) associated with any third-party claim, relating to or arising as a result of the services, or this Engagement Letter.

Because of the importance of the information that you provide to Baker Tilly with respect to Baker Tilly's ability to perform the services, you hereby release Baker Tilly and its present and former partners, principals, agents and employees from any liability, damages, fees, expenses and costs, including attorney's fees, relating to the services, that arise from or relate to any information, including representations by management, provided by you, District personnel or agents, that is not complete, accurate or current.

Each party recognizes and agrees that the warranty disclaimers and liability and remedy limitations in this Engagement Letter are material bargained for bases of this Engagement Letter and that they have been taken into account and reflected in determining the consideration to be given by each party under this Engagement Letter and in the decision by each party to enter into this Engagement Letter.

March 9, 2020

Page 5

The terms of this section shall apply regardless of the nature of any claim asserted (including, but not limited to, contract, tort or any form of negligence, whether of you, Baker Tilly or others), but these terms shall not apply to the extent finally determined to be contrary to the applicable law or regulation. These terms shall also continue to apply after any termination of this Engagement Letter.

You accept and acknowledge that any legal proceedings arising from or in conjunction with the services provided under this Engagement Letter must be commenced within twelve (12) months after the performance of the services for which the action is brought, without consideration as to the time of discovery of any claim.

Other Matters

The documentation for this engagement, including the working papers, is the property of Baker Tilly and constitutes confidential information. We may have a responsibility to retain the documentation for a period of time sufficient to satisfy any applicable legal or regulatory requirements for records retention. If we are required by law, regulation or professional standards to make certain documentation available to regulators, the District hereby authorizes us to do so.

Neither this Engagement Letter, any claim, nor any rights or licenses granted hereunder may be assigned, delegated or subcontracted by either party without the written consent of the other party. Either party may assign and transfer this Engagement Letter to any successor that acquires all or substantially all of the business or assets of such party by way of merger, consolidation, other business reorganization, or the sale of interest or assets, provided that the party notifies the other party in writing of such assignment and the successor agrees in writing to be bound by the terms and conditions of this Engagement Letter.

Our dedication to client service is carried out through our employees who are integral in meeting this objective. In recognition of the importance of our employees to Baker Tilly Virchow Krause, LLP, it is hereby agreed that the District will not solicit our employees for employment or enter into an independent contractor arrangement with any individual who is or was an employee of Baker Tilly Virchow Krause, LLP for a period of twelve months following the date of conclusion of this engagement. If the District violates this non-solicitation clause, the District agrees to pay to Baker Tilly Virchow Krause, LLP a fee of equal to the hired individual's new annual salary at the time of the violation so as to reimburse Baker Tilly for the costs of hiring and training a replacement.

Baker Tilly Virchow Krause, LLP is an independent member of Baker Tilly International. Baker Tilly International Limited is an English District. Baker Tilly International provides no professional services to clients. Each member firm is a separate and independent legal entity and each describes itself as such. Baker Tilly Virchow Krause, LLP is not Baker Tilly International's agent and does not have the authority to bind Baker Tilly International or act on Baker Tilly International's behalf. None of Baker Tilly International, Baker Tilly Virchow Krause, LLP, nor any of the other member firms of Baker Tilly International has any liability for each other's acts or omissions. The name Baker Tilly and its associated logo is used under license from Baker Tilly International Limited.

This Engagement Letter constitutes the entire agreement between the District and Baker Tilly regarding the services described in this Engagement Letter and supersedes and incorporates all prior or contemporaneous representations, understandings or agreements, and may not be modified or amended except by an agreement in writing signed between the parties hereto.

The provisions of this Engagement Letter, which expressly or by implication are intended to survive its termination or expiration, will survive and continue to bind both parties. If any provision of this Engagement Letter is declared or found to be illegal, unenforceable or void, then both parties shall be relieved of all obligations arising under such provision, but if the remainder of this Engagement Letter shall not be affected by such declaration or finding and is capable of substantial performance, then each provision not so affected shall be enforced to the extent permitted by law or applicable professional standards.

Oak Park Elementary School District 97

March 9, 2020

Page 6

If because of a change in the District's status or due to any other reason, any provision in this Engagement Letter would be prohibited by, or would impair our independence under laws, regulations or published interpretations by governmental bodies, commissions or other regulatory agencies, such provision shall, to that extent, be of no further force and effect and this agreement shall consist of the remaining portions.

This agreement shall be governed by and construed in accordance with the laws of the State of Illinois, without giving effect to the provisions relating to conflict of laws.


We appreciate the opportunity to be of service to you. If there are any questions regarding the Engagement Letter, please contact Nick Cavaliere, the engagement partner on this engagement who is responsible for the overall supervision and review of the engagement and for determining that the engagement has been completed in accordance with professional standards. Nick Cavaliere is available at 630-645-6244.

Sincerely,

Baker Tilly Virchow Krause, LLP

BAKER TILLY VIRCHOW KRAUSE, LLP

The services and terms set forth in the Engagement Letter are agreed to by:



Officer Signature

Director of Finance

Title

3/10/2020

Date

APPENDIX A

Agreed-Upon Procedures

We currently expect to perform the following procedures agreed to by Oak Park Elementary School District 97:

- Procedure - Agree the 2019 – 2020 Actual Payrolls for the categories listed in the Actual Payroll Request form, to the balances recorded in the District's general ledger for the period requested.