



# UNITED TOWNSHIP

## HIGH SCHOOL DISTRICT 30

To: Board of Education  
From: Janice Roome, Comptroller  
CC: Dr. Jay Morrow  
Date: February 10, 2025  
Re: Approval of audit proposal for Fiscal Years 2026, 2027 and 2028

### Background Information

We have worked with the firm of Bohnsack and Frommelt, LLP for audit services since fiscal year 2014. The firm was instrumental in assisting our district with the transition from the cash basis of accounting to the modified accrual basis. This was done in accordance with bond funding associated with the Student Life Addition.

### Administrative Considerations

There are several advantages to reporting on the modified accrual basis of accounting:

- The financial statements present a more accurate and consistent representation of the financial status of the district. They match revenues and expenditures with the periods in which they are earned or expended rather than when the cash was received or paid.
- The Annual Comprehensive Financial Report (ACFR) provides the greatest amount of transparency to the public. It presents a wide variety of important information intended to help the reader properly understand the basic financial statements.
- The accrual basis of accounting allows us to be considered a “low risk” auditee for the auditing federal funds. This saves time for the auditors and helps minimize the cost of the audit.
- Presenting an ACFR allows us to apply for and receive the Certificate of Excellence in Financial Reporting as well as the Certificate of Achievement for Excellence in Financial Reporting. We have received these awards each year since 2018-19 when we began presenting the ACFR. (Results of fiscal year 2023-24 applications have not yet been received.) These awards were achieved with the guidance of Bohnsack and Frommelt, LLP. The modified accrual basis of accounting, transparency of the ACFR, and the awards for excellence help us achieve the lowest possible bond ratings, thus minimizing interest paid on bond issuances.

### Options Considered

The receipt of ESSER federal funds caused additional audit requirements for many districts. Audits of federal funds required specialized knowledge and training on the part of audit personnel. This has made it very difficult to procure quality audit services at a reasonable price.

### Fund Source

The District portion of the audit fees are paid from the Education Fund. The fees attributable to the Area Career Center and the Quad-City Career & Technical Education Consortium are paid by those entities. The breakdown of proposed fees is as follows (see attached proposal):

	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>
United Township High School District 30	\$ 25,000	\$ 26,060	\$ 27,300
Area Career Center	4,900	5,000	5,000
Quad-City Career & Technical Education Consortium	4,900	5,000	5,000
Total	<u>\$ 34,800</u>	<u>\$ 36,060</u>	<u>\$ 37,300</u>
 Increase	 <u>6.6%</u>	 <u>3.6%</u>	 <u>3.4%</u>

Recommendation

We recommend the Board approve the all-inclusive fee proposal from Bohnsack and Frommelt, LLP for FY26, FY27 and FY28 as presented.