



To: Board of Library Trustees

From: Anthony Auston, Director
Sandra Discepolo, Finance Manager

Date: Tuesday, February 18, 2025

Re: Request for Proposals: Audit Services Recommendation

Overview

Libraries perform financial audits to ensure that their financial statements are accurate and that they are managing their funds properly and according to established standards. Audits are also required by law for Illinois public libraries.

Illinois public libraries must meet several financial audit requirements, including:

- **Annual Report of Receipts and Disbursements**
Public library districts must file this statement with the county clerk and Illinois Comptroller within six months of the fiscal year's end. The annual audit and financial report requirements must conform with Section 3 of the Governmental Account Audit Act (50 ILCS 310).
- **Compliance with regulatory agency requirements**
The audit report must confirm compliance with regulatory agency requirements.
- **Internal control reliability**
The audit report must provide feedback on the reliability of the library's internal controls.
- **Executive office efficiency**
The audit report must provide feedback on the efficiency of the executive office.

Financial audits are necessary because they:

- **Ensure accuracy:** Audits verify that a library's financial statements are accurate and complete.
- **Ensure proper management:** Audits confirm that a library is managing its funds properly.
- **Meet legal requirements:** Audits are required by law and ensure compliance with other standards and best practices.
- **Promote reputation:** Audits support transparency and help libraries promote their reputation as planful and responsible stewards of public funds.

Financial audits are conducted by an independent Certified Public Accountant (CPA). As part of the audit, the CPA tests the library's financial control system, reviews the library's financial records, reports, and files, and presents an opinion on whether the library's financial statements are accurate and in compliance with the Governmental Accounting Standards Board (GASB) generally accepted accounting principles.

Request for Proposals

In addition to individual invitations to seven regional firms who work directly with Illinois public library districts, on December 20, 2024, the library published its request for proposals (appended behind this cover) online (<https://www.wilmettelibrary.info/about-us/projects-initiatives/requests-proposals>):

Wilmette Public Library District is requesting written proposals for conducting the financial audit of its financial statement for the fiscal years ending June 30, 2024-25, 2025-26, and 2026-27, with the options of 2027-28 and 2028-2029. Certified Public Accounting firms are invited to respond to the enclosed Request for Proposal (RFP).

Wilmette Public Library District serves Wilmette and Kenilworth, in north suburban Cook County. Operating on an annual budget of \$6.6 million (fiscal year 2024-2025), the Library receives the majority of its funding in the form of property taxes from Cook County. Wilmette Public Library District operates on a Modified Cash basis for its yearly financial reporting, and uses Quickbooks for the recording of financial entry and the generation of reports.

Written proposals are due by 11:00am on Friday, January 31, 2025.

Proposals

By the posted deadline, four CPA firms responded to our RFP for audit services for the next three years (June 30, 2025, 2026 & 2027). All four respondents are all qualified firms with good references. Each firm demonstrated that they understood the totality of our expectations and deliverables. One firm, ATA Group, in performing research for our RFP, contacted us and noted that their fee proposal would start substantially higher than our immediate prior vendors, and effectively withdrew from consideration.

The proposed fees for our respondents are as follows:

Firm	FY24-25	FY25-26	FY26-27	Total
ATA Group	15,000	-	-	n/a
Lauterbach & Amen	10,120	10,575	11,000	31,695
Selden Fox	11,500	12,000	12,500	36,000
Sikich	11,850	12,350	12,850	37,050

The proposed fees from our prior RFP in early 2020 are included below for reference and trending:

	2021	2022	2023	Total
Lauterbach & Amen	8,500	8,800	9,100	26,400
Selden Fox	9,750	10,000	10,200	29,950
Sikich	10,000	10,300	10,600	30,900
McClure Inserra	10,800	11,000	11,300	33,100
Eder, Casella & Co	15,000	15,600	16,225	46,825

Evaluation

The library evaluated its three complete proposals on a qualitative basis based on the firms' responses to the stated submittal requirements. Staff considered the materials submitted by respondents, interviews with provided references, and review of example deliverables to those clients listed in their reference materials.

We believe that all three firms met the qualifications of our request and demonstrated understanding of the library's needs. Additionally, it should be noted, that the library has direct experience with Lauterbach & Amen for its most recent 4 audits and had previously worked with Sikich for 15 audits.

Finally, the fees proposed by the respondents were within 15% of one another, and consistent with the immediate prior contract engagement and the fees from the immediate prior RFP in 2020.

Recommendation

Upon review of the three proposals, reflection on our past experience, interviews with current clients, and consideration of our stated needs, and the value of another firm's perspective, we believe that the proposal from Selden Fox offers the greatest benefit to the library at this time. We were impressed by the process and reporting provided to the clients and the feedback we collected from 5 current clients.

Staff recommends Board approval to proceed with engagement for audit services with Selden Fox for the fiscal years ending June 30, 2025, 2025-26, and 2026-27, with options for 2027-28 and 2028-2029.



Wilmette Public Library

REQUEST FOR PROPOSAL Audit Services

Posting Date:
Friday, December 20, 2025

Proposals Due:
Friday, January 31, 2025
no later than 11:00 a.m. CST
at the Administrative Offices of
Wilmette Public Library District
1242 Wilmette Avenue, Wilmette, IL 60091

Wilmette Public Library District is accepting proposals from Certified Public Accounting firms to provide audit services for our Library. We invite your firm to submit a proposal to us by Friday, January 31, 2025, by 11:00 a.m. CST for consideration. A description of our Library District, the services needed, and other pertinent information follows.

Description of Wilmette Public Library District

Wilmette Public Library District (“the Library”) was established as a tax-supported public library in 1900 (later as an independent Public Library District in 1975), and currently serves a population of approximately 29,000, serving the villages of Wilmette and Kenilworth, in Cook County, Illinois. The Library is governed by an elected board of seven trustees, all residents of the Library and is administered by an Executive Director.

The Library provides general library services, as well as ancillary services such as meeting rooms, computers, photocopiers, and voter registration. The Library contracts out for LAN management, janitorial services, building maintenance services, legal services, accounting services, as well as supplemental consulting and planning services.

At the close of the 2023-2024 fiscal year, the library maintained the following six (6) funds:

1. General Fund
2. Audit Fund
3. Retirement (IMRF Pension/Social Security) Fund
4. Liability Insurance Fund
5. Unemployment Fund
6. Special Reserve Fund

The library participates in one pension plan, the Illinois Municipal Retirement Fund (IMRF), a multiple employer/agent plan.

The library budgets all funds on the modified cash basis of accounting as required by Illinois law. The Library maintains all its accounting records at the administrative office located at 1242 Wilmette Avenue, Wilmette, IL 60091. The governmental unit maintains its cash receipts, cash disbursements, general ledger, and accounts payable ledger on QuickBooks.

The primary source of funding for the Library is a property tax in perpetuity. The Library has a June 30 fiscal year end, with a requirement to file an Audit Report and Annual Financial Report with the Illinois State Comptroller and the Cook County Clerk within 180 days after the fiscal year end (75 ILCS16/30-45; 35 ILCS 200/30-30; and 50 ILCS 310/1). A copy of the Library’s most recent audited annual financial statement is available on our website at <https://www.wilmettelibrary.info/about/library-trustees/library-finances>.

Service to Be Performed

Your proposal is expected to cover the completion of the audit of the Library's annual financial statement in compliance with generally accepted auditing standards as established by the American Institute of Certified Public Accountants as applicable to governmental units. The audit work includes electronic submission of the Audit Report and Annual Financial Report with the Comptroller and will include meetings with the Library's Administration team and/or Board of Trustees as necessary.

In addition to the above services, the proposal is expected to cover a management letter containing comments and recommendations with respect to accounting and administrative controls and efficiency. Also, the proposal should cover the firm's availability throughout the year to provide advice and guidance on financial accounting and reporting issues.

Deliverables

- A. Annual Financial Report (Independent Auditor's Report and Financial Statements) for three years; that is, the years ending 30 June 2025, 30 June 2026, and 30 June 2027.
- B. Annual Comptroller's Report for three years; that is, the years ending 30 June 2025, 30 June 2026, and 30 June 2027.
- C. Presentation of results to the Board of Library Trustees at its regular meeting on the third Tuesday in October, each year.

Terms of Engagement

A three-year contract beginning with fiscal year 2024-25 is requested. It is the intent of the Board of Library Trustees to continue its relationship with the auditor for no less than three years, subject to the annual review by the board, and annual availability of an appropriation.

The Library reserves the right to terminate the contract if the successful firm merges, consolidates, splits, or otherwise combines with any other firm, or if a significant change in the audit team is made that is unacceptable to the Library.

Key Personnel

Anthony Auston, Director
Sandra Discepolo, Finance Manager

Key Board Members

Joan Fishman, Board President
Tracy Sommer, Board Treasurer and Finance Committee Chair

Requests for additional information, review of prior financial statements, and/or appointments with library trustees and staff should be coordinated through the Director.

Please return the completed proposals to the following address:

Sandra Discepolo, Finance Manager
Wilmette Public Library District
1242 Wilmette Avenue
Wilmette, IL 60091

Relationship with Current Auditor

These services have been provided by Lauterbach & Amen for the past 4 years. However, as part of good fiscal practices, we are seeking proposals at this time to determine costs and services from other firms. In preparing your proposal, be advised that management will give permission to contact the current auditor.

Other Information

The working papers shall be retained for at least 10 years. The papers will be available for examination by authorized representatives of the State of Illinois, and if required, the federal audit agency and the General Accounting Office.

Governments Accounting Standards Board

It is expected that your firm will have experienced and adequate staff available to meet the changes that have been brought forth by GASB 34, 68, 71, and subsequent statements. The Library expects that the successful proposer to review all supplemental schedules and to advise, as necessary, on related accounting and reporting concerns.

Submittal Requirements

Please submit your response to this request by Friday, January 31, 2025, 11:00 a.m. CST. We would also appreciate a response if you decline to submit a proposal.

In responding to this request, we request the following information:

- A. **Introduction:** Provide an introduction describing the respondent, including the following information:
1. The name and address of the respondent submitting the proposal.
 2. The date the respondent was established.
 3. Detail your firm's size, structure, and experience in providing auditing services to public libraries, as well as other governmental agencies.
 4. The name, address, and telephone number(s) of the person(s) who will serve as the respondent's principal contact person with the Library, and who will be authorized to make representations on behalf of the respondent.
 5. The signature of the person(s) having proper authority to submit the proposal for the respondent.

- B. **Description of Services (Understanding of Project Scope and Work Plan):** State the knowledge and understanding of the needs of the Library. The work plan should contain, at a minimum, a breakdown into logical tasks, subtasks, and timeframes for all work to be performed. Provide a timeline that addresses the following activities and any others that are appropriate.
1. Planning and interim testing
 2. Meet with Administration team to discuss the audit plan
 3. Receive a list of client-provided documents and requests
 4. Begin fieldwork
 5. Financial statement of draft for management review
 6. Presentation of draft audit report and comments to the Library's Administration team and Board of Trustees
 7. Issue the final audit report (8 bound copies and a PDF)
- C. **Key Personnel:** Provide a list of key personnel associated with the proposal. For each person included on the list, the following information should be provided:
1. The individual's relationship with the respondent, including current job title, employment with the respondent, and the relationship the individual will have with the proposed research study.
 2. The individual's educational background and other relevant training and background experience, including the number of years of relevant experience and title or function (duties) while gaining the experience.
 3. Indicate any complaints against these personnel that have been leveled by the state board of accounting or other regulatory authority, if any. Indicate any corrective actions that have been taken by the firm with respect to these people.
- D. **Fee Proposal:** The proposed fees shall be the maximum, not-to-exceed fee for each fiscal year shown.
- E. **References:** Provide the names, postal addresses, telephone numbers, and e-mail addresses of five (5) references (clients), including at least two similarly-sized public library clients of the partner and manager that will be assigned to our organization.
- F. **Certification:** Certify that all components of the proposal will remain firm for a minimum period of ninety (90) days following the opening of the proposal.
- G. **Acceptance of Conditions:** Provide an acceptance-of-conditions statement that affirms the respondent's acceptance of all conditions and requirements contained in this RFP.
- H. **Execution:** Sign the proposal in ink, and provide the postal address of the respondent.
- I. **Supplementary Information (Examples of Work):** Provide two or more sample reports and specify whether these need to be returned.

Project Approvals

1. The agreement will require the approval of the Board of Library Trustees in its sole and absolute discretion.
2. The Director and the Finance Manager will recommend a proposal to the Library's Finance Committee.
 - a. The Finance Committee will recommend approval of the proposal to the Board of Library Trustees at the February or March 2025 regular board meeting.
 - b. As part of the approval process, the successful respondent may be required, at its sole expense, to prepare and provide documents or exhibits and make presentations associated with its services as may be required prior to the execution of the agreement.

Evaluation Criteria

Wilmette Public Library District will evaluate proposals on a qualitative basis based on responses to the aforementioned submittal requirements.

Proposals will be evaluated in part on the basis of the evaluation criteria set forth below. Evaluations will consider the materials submitted by respondents, including references, and may include formal presentations by respondents and/or interviews with a representative of the respondents.

- A. All proposals will be evaluated by the Library in accordance with the criteria and procedures identified herein.
- B. The Library reserves the right in its sole discretion to select a service-provider based directly on the proposals or to negotiate further with one or more of the respondents without limiting any of its rights described in any section of this RFP.
- C. The selected proposal will be chosen on the basis of its apparent ability to best meet the overall expectations of the Library.
- D. The Library will be the judge of which proposal offers the greatest benefit.
- E. The Library reserves the right to reject any and all proposals for any reason at any time, including but not limited to false or incomplete statements in connection with a proposal.

- F. The following criteria will assist in assessing the merits of each proposal:
1. **Responsiveness to the RFP.**
 2. **Experience and Qualifications:**
 - a. Demonstrated knowledge of accounting and auditing services.
 - b. Relevant experience, qualifications, and responsibilities of the respondent.
 - c. Experience and reputation in the industry, particularly in respect to working with local governments (as opposed to not-for-profit organizations).
 3. **Technical Quality and Methodology:** Respondent's approach to organizing and managing the project, and ability to document information and recommendations clearly in a written format.
 4. **Understanding** of project objectives and scope; completeness of the Proposal.
 5. **References:** Examples of completed projects. Satisfaction of current / former clients with competency of respondent and completed work.
 6. **Fee Structure:** Proposed fee structure relative to the services to be provided.
 7. **Overall Evaluation:** Overall evaluation of the respondent's ability to accomplish a project of this nature within the proposed time schedule.
- G. **Preference:** Primary preference will be given to the most qualified firm, regardless of whether that firm has an office in Cook County.

The Library reserves the right to reject any and all proposals submitted and to request additional information from all proposers. Any contract awarded will be made to the independent auditor who, based on evaluation of all responses, applying all criteria and oral interviews if necessary, is determined to be the best qualified to complete the audit.

Sincerely,



Anthony Auston
Director, Wilmette Public Library District

Selden Fox

Accounting for your future

Proposal to Provide Professional Audit Services to:

WILMETTE PUBLIC LIBRARY DISTRICT

FOR THE YEARS ENDING JUNE 30, 2025, 2026, AND 2027



Wilmette
Public Library

JANUARY 2025

Edward "Ed" G. Tracy, CPA
tracy@seldenfox.com
630.472.9456

One Parkview Plaza, Suite 710 | Oakbrook Terrace, IL 60181
1776 Legacy Circle, Suite 119 | Naperville, IL 60563
630.954.1400 | www.seldenfox.com

Selden Fox

Accounting for your future

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This proposal for professional services contains proprietary information about Selden Fox, Ltd. The nature and extent of our services will be described in more detail in an engagement letter issued after your approval of this proposal. Our proposal is subject to the completion of our customary evaluation of prospective clients called for by professional standards.

Selden Fox

Accounting for your future

One Parkview Plaza, Suite 710 | Oakbrook Terrace, IL 60181 | www.seldenfox.com
p 630.954.1400 | f 630.954.1327 | email@seldenfox.com

January 27, 2025

Ms. Sandra Discepolo
Finance Manager
Wilmette Public Library District
1242 Wilmette Avenue
Wilmette, IL 60091

Dear Ms. Discepolo:

We are pleased to submit our response to your request for proposal for professional audit services for the **Wilmette Public Library District** (Library) for the years ending June 30, 2025, 2026, and 2027. Given our experience with various government entities including library districts, we are confident that given the opportunity to serve the Library, we will meet and surpass your expectations as they relate to work product and quality, scheduling and timing, and your overall client service experience. We say this with confidence, because our firm brings experience, expertise, and personal service to each of our clients.

Experience

We perform audits of financial statements for numerous municipalities, library districts, park districts, special recreation associations, and state and federal government grant programs. In fact, over the last 40-plus years, Selden Fox has conducted more than 600 governmental audits and served more than 80 different governmental entities, many of which have obtained and hold the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting. Currently, we serve more than 40 different governmental agencies.

Expertise

Because we have been and continue to be committed to the governmental sector, Selden Fox has cultivated a sizable and highly qualified governmental audit staff. All the firm's governmental audit staff have fulfilled the training requirements necessary to meet governmental audit standards and standards for the Single Audit Act. In addition, the staff completes our firm's in-house governmental training program on an annual basis.

Expertise (continued)

Selden Fox's officers have served on the Illinois CPA Society's Governmental Report Review Task Force, act as reviewers for the Government Finance Officers Association Certificate of Achievement program and are members of the Government Finance Officers Association and the Illinois Government Finance Officers Association. As such, we are at the forefront of any new accounting and reporting issues affecting local governments. We feel that part of our responsibility as auditors is to make sure our clients are aware of these issues and how they may affect them. We accomplish this in several ways, not only through our management letter issued with each audit, but also via a bi-weekly electronic newsletter highlighting topics of interest for local governments as well as privately held businesses, and regular correspondence with our clients.

Personal Service

One factor that greatly impacts the quality of your relationship with an accounting firm is service, and it is something we at Selden Fox take quite seriously. Utilizing a structure that is unusual in the accounting profession, Selden Fox provides the close, personalized service that is associated with a firm much smaller than ours. In addition, this structure ensures that our highest-level professionals are continuously available to serve clients like you.

This unique combination of such high-quality work and individualized service is one of the key characteristics that differentiate our firm from many others. It is indeed a true reflection of the pride we take in giving clients our very best.

We trust our proposal, which is valid for 90 days as of January 31, 2025, conveys our sincerest ability and desire to serve the Wilmette Public Library District. Finally, I would like to express our gratitude for the opportunity to be considered to audit the Library's financial statements. If selected to handle your audit, I would be personally committed to providing superior client service.

I look forward to your response to our proposal.

Very truly yours,

SELDEN FOX, LTD.



Edward G. Tracy, CPA
Executive Vice President

Firm Qualifications

Selden Fox was founded in 1978 when five partners at a national accounting firm knew their clients needed more. The vision of the firm at that time was based on the philosophy that clients deserve quality work for which national firms are known and the close, personalized service of small firms. This philosophy continues to ring true today, and we are humbled by the growth we have experienced over the years.

Today, the firm has more than 70 employees, including more than 60 professional staff – 33 of whom are CPAs, all working out of our Oakbrook Terrace and Naperville offices. Opting not to engage any publicly held entities, we focus on servicing government entities, nonprofit organizations, and privately held businesses. Our offerings include audit and assurance, tax, accounting solutions, and general consulting services.

Independence and Illinois License

Selden Fox, as a firm and individually among its various shareholders and officers, is independent of the Wilmette Public Library District, as defined by generally accepted auditing standards/the U.S. General Accounting Office's Government Auditing Standards.

We affirm that Selden Fox and all key professional staff to be assigned to the Library's audit are licensed to practice as certified public accountants in Illinois and have, or exceed, relevant required continuing professional education for governmental auditing. Within the last five years, Selden Fox nor any of its officers or owners have been involved in disciplinary action, litigation, or other legal proceedings relating to an audit or accounting engagement. Selden Fox has not been censured by any regulatory board or had any federal or state desk reviews of field reviews of its audits.

Peer Review

As part of our continuing membership in the American Institute of Certified Public Accountants (AICPA), as well as the AICPA's Center for Audit Quality (CAQ), Governmental Audit Quality Center (GACQ), and Employee Benefit Plan Audit Quality Center (EBPAQC), we are required to undergo a peer review every third year. Peer reviews involve a rigorous study by an independent accounting firm of a member firm's quality control. Areas examined include leadership responsibility within the firm, relevant ethical requirements, acceptance and continuance of clients and specific engagements, human resources, engagement performance, and monitoring.

Having completed our fifteenth peer review conducted through the National Peer Review Committee of the AICPA, **we are proud to report that we received the highest ranking possible – an opinion that we meet all of the quality control and professional standards established by the AICPA.** It is a true testament to the quality of work we consistently deliver to our clients. This is a rare accomplishment, even among national firms. A copy of our most recent peer review report is provided on the following page. Our Peer Review included a review of governmental engagements.

Firm Qualifications (continued)

Peer Review (continued)

Briscoe, Burke & Grigsby LLP CERTIFIED PUBLIC ACCOUNTANTS

Report on the Firm's System of Quality Control

November 29, 2023

To the Shareholders of
Selden Fox, Ltd.
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Selden Fox, Ltd. (the firm) in effect for the year ended June 30, 2023. 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 and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of 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 on in conformity with the requirements of applicable 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 and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act, and audits of employee benefit plans.

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.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Selden Fox, Ltd. in effect for the year ended June 30, 2023, 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*. Selden Fox, Ltd. has received a peer review rating of *pass*.



Certified Public Accountants

Audit Approach

We have conducted internal and external audits and reviews that literally number in the thousands. Yet, for each one of those, we have personalized our approach to focus on those areas that represented the most significant risks to each client. This approach destroys the myth that one audit is just like the next.

Our primary objective in our risk-based audit approach is to gain an understanding of our client, its environment, and its existing controls to identify the greatest risk areas from the onset of the audit. This understanding means we can focus on those areas and identify the relevant link between the assessed risks and the nature, timing, and extent of the audit performed. This tailored approach means our clients receive a highly efficient, focused and simplified audit; save administrative time for its staff; and acquire timely advice and answers.

Our audit procedures will be divided into two phases—preliminary fieldwork and substantive procedures. If preferable, these procedures can be performed at the same time as final procedures.

The **Preliminary Fieldwork** phase typically includes:

- Meet with selected Board members and the administration team to discuss our approach to the audit, the risks of fraud within the entity, and tasks to be performed by Library personnel.
- Review Board meeting minutes to determine and understand recent history and impact on audit.
- Provide management with a list of items needed to complete the substantive phase of the audit.
- Obtain an understanding of the Library's accounting systems and related internal controls and perform a walkthrough of significant types of transactions. We anticipate the key accounting systems will include cash receipts, revenue recognition, purchasing and cash disbursements, and payroll.
- Perform preliminary analytical procedures to identify the significant account balances and major functions.
- Conduct interviews with relevant Library department heads in compliance with auditing standards related to the consideration of fraud in a financial statement audit. Correspond with Board members, allowing them the opportunity to voice their concerns about potential fraud or irregularities.

Audit Approach (continued)

- Obtain permanent file documentation, to the extent available, including but not limited to the following:
 1. Updates made to financial and personnel policy manuals.
 2. Current year budget.
 3. Grant agreements awarded or expended during the fiscal year if applicable.
 4. All significant intergovernmental agreements.
 5. All significant outstanding contractual commitments.
- Prepare and send confirmations to:
 1. Financial institutions regarding cash balances on hand,
 2. Attorneys to discuss contingent matters, and
 3. Grantor agencies to verify conditions and terms of grant agreements.

During the preliminary fieldwork, we will review the Library's financial policies and recommend any updates we feel should be considered.

After completing our preliminary procedures, we will design our substantive procedures to provide sufficient audit evidence to allow us to render an opinion on the Library's financial statements. The **On-Site Fieldwork** phase typically includes:

- Obtain year end reconciliations for all cash and investment accounts. Confirm balances with financial institutions and test reconciling items for accuracy and completeness. Reconcile interest receivable and interest revenue to investment statements.
- Obtain property tax levy and reconcile receivable and deferred inflow balances. Vouch property tax revenue to County reports.
- Obtain detail of all capital asset additions and disposals during the year and vouch on a test basis to supporting documentation. Recompute depreciation expense on a test basis. Analyze significant non-personnel expenses to identify potential capital asset additions.
- Reconcile pension and OPEB accounts (deferred outflows and inflow, net pension liability, and pension expense) to actuarial valuation reports from IMRF and OPEB Plan actuary. Obtain census data and vouch to personnel records.
- Reconcile fund balances to the prior year's annual financial report. Identify any restrictions to be presented on the face of the financial statements.

Audit Approach (continued)

- Perform analytical procedures on revenue and expense accounts by comparing actual results to the budget. Discuss significant variances with client and vouch client representations to supporting documentation.
- Reconcile payroll expense and accruals for payroll and compensated absences to quarterly payroll tax returns and year end payroll registers, respectively.
- Examine grant agreements and determine portion of revenue earned at year end under the agreement.
- Analyze all lease and technology-related agreements for potential applicability of GASB Statements 87 and 96, respectively, and assist with the necessary adjustments and disclosures if necessary.
- Review possible contingent liabilities through confirmation with attorneys, examination of attorneys' invoices, and discussion with staff. Analyze construction contracts in effect to determine commitments at year end.

Additional procedures will be determined after consideration of the results of our preliminary procedures.

Technology Used

In completing our audits, we utilize the latest in software for public accounting firms – ProSystem fx Engagement, IDEA, and Suralink (secure online portal). ProSystem fx Engagement is a trial balance database audit program which integrates with Microsoft Excel and Word. All work papers are created and prepared electronically and stored within an electronic client folder. The report's financial statements are prepared in Excel, with all balances automatically linked to the trial balance database through integration features, providing additional efficiencies in the audit process.

IDEA is a data mining and extraction tool. In addition to some of the more common audit retrieval tools, IDEA improves audit efficiency and effectiveness using the following functions:

- Sampling, including planning, selection, and evaluation for systematic, random, stratified random, monetary unit, and attribute sampling plans.
- Field manipulation that allows field to be appended for calculations and recomputations.
- Field statistics which display and print statistics about any numeric or date field in the file.

Audit Approach (continued)

Technology Used (continued)

For the transmission of documents between Selden Fox and the Library, we will use Suralink. The Suralink portal provides a secure and convenient way to access audit documents on-demand. Using the portal, the Selden Fox/Library audit team can exchange, store, and organize audit documents. The system also allows for easy searching and filtering of documents. The transfer of files between Selden Fox and the Library becomes a seamless process with Suralink.

Proposed Audit Timeline

We will meet with Library annually to confirm the schedule for the upcoming audit. We propose the following audit schedule for your consideration. However, we are open to adjustment based on your ultimate availability, needs, and deadlines.

Audit Activities	Proposed Timing
Planning and interim testing	July
Meet with the Administration team to discuss the audit plan	July
Provide a list of client-provided documents and requests	July
Conduct fieldwork	August
Financial statement draft for management review	August
Presentation of draft audit report and comments to the Library's Administration team and Board of Trustees	September
Issue final audit report **	September

** We can provide however many bound copies of the final audit report are necessary.

Representative Clients

The following is a list of current government clients.

<u>Agency</u>	<u>Initial Year of Service</u>	<u>Client Contact</u>	<u>Telephone Number</u>
Park Districts:			
Addison*	2009	Jen Hermonson	630.233.7275
Bartlett*	2021	Eric Leninger	630.540.4812
Berkeley	2008	Arthur Schenone	847.895.9588
Bloomingtondale*	2020	Jennifer Vale	630.529.9184
Hanover Park	1980	Roger Emig	630.837.2468
Joliet	2022	Glenn Kelley	815.741.7275
Kenilworth*	2019	Johnathan Kiwala	847.251.1691
Lombard*	2008	Jessica Ramirez	630.627.1281
Roselle*	2008	Nicolette Orlandino	630.894.1048
Westchester	2005	Lianette Robinson	708.865.8200
Wheaton*	2021	Sandra Simpson	630.815.1067
Municipalities:			
Calumet Park	2003	Teri Raney	708.926.7402
Cary*	2015	Kelly Brainerd	847.639.0003
Forest View	2002	Joy Conklin	708.788.3429
Riverwoods	2021	Tony Vasquez	847.945.3990
Vernon Hills*	2021	Thomas Lyons	847.367.3700
Wayne	2010	Howard Levine	630.584.0259
West Dundee*	2005	David Danielson	847.551.3800
Special Districts:			
Berwyn Public Health District	2007	David Avila	708.788.6600
Berwyn Township	2005	David Avila	708.788.6600
Bloomingtondale Township	2023	Ray Wanders	630.529.7715
Blue Island Public Library	2014	Anna Wassenaar	708.388.1078
Darien-Woodridge FPD	2024	Jimmy Lahanis	630.910.2088
Downers Grove Township	2023	Paul Coultrap	630.719.6610
Dundee Township	2022	Arin Thrower	847.428.8092
Homewood Public Library	2020	Colleen Waltman	708.798.0121
Northbrook Public Library	2016	Anna Amen	847.272.6229
Palatine Township	2022	Anna Chychula	847.358.6135
Riverside Township	2014	Vera Wilt	708.442.4400
Salt Creek Sanitary	2004	Ray Hoving	630.832.3637
Wayne Township	2022	Anna Pechous	630.231.7140
Winfield Township	2018	Nicole Prater	630.231.3591

* Received GFOA Certificate of Achievement

Representative Clients (continued)

The following is a selection of our library district engagements performed over the past three years. Ed Tracy was the engagement partner on all these audits.

Client **Northbrook Public Library**

Scope of Work/Date We have handled the annual audit for the Library since FY2015.

Client Contact Anna Amen; 847.272.6229; aamen@northbrook.info

Client **Homewood Public Library**

Scope of Work/Date We have handled the audit for Homewood since FY2020.

Client Contact Colleen Waltman; 708.798.0121; ColleenW@homewoodlibrary.org

Client **Blue Island Public Library**

Scope of Work/Date We have handled the audit for the Library since FY2014.

Client Contact Anna Wassenaar; 708.388.1078; awassenaar@blueislandlibrary.org

Examples of Work

The following URLs include report examples of our firm's audit work:

- <https://www.homewoodlibrary.org/wp-content/uploads/2024/02/HPL-2024-audit-for-year-ending-6-30-23.pdf>
- https://drive.google.com/file/d/175iqj2UcO9HG8kGWBylQqMqI_8RFPksr/view

Proposed Engagement Team

Perhaps more than anything else, the success of an engagement is dependent upon the experience, capabilities, and dedication of the engagement team members. When we assign individuals to your engagement, we can select those individuals with the experience, capabilities, and personal styles that best match your needs.



Edward G. Tracy, CPA | Executive Vice President and Shareholder

Ed joined the audit department of Selden Fox in 1988. Now an Executive Vice President and Shareholder at Selden Fox, Ed leads the firm's governmental audit practice. Committed to serving the governmental sector throughout his career, Ed has designated government entities as a long-term area of personal specialization, working with municipalities, park districts, townships, and special districts. He has personally supervised the following government engagements (audits unless otherwise indicated) in the last two years:

- Bartlett Park District
- Berkeley Park District (compilation)
- Bloomingdale Park District
- Bloomingdale Township
- Blue Island Public Library
- Brookfield, Village of
- Calumet Park, Village of (accounting services)
- Cary, Village of
- Downers Grove Township
- Dundee Township
- Forest View, Village of
- Hanover Park Park District
- Homewood Public Library
- Itasca, Village of (accounting services)
- Joliet Park District
- Kenilworth Park District
- Lake Barrington, Village
- Lemont Township
- Northbrook Public Library
- Palatine Township
- Riverside Township
- Vernon Hills, Village of
- Wayne Township
- Wayne, Village of
- West Dundee, Village of
- Westchester Park District
- Wheatland Township
- Wheaton Park District
- Winfield Township

The remaining balance of Ed's practice includes nonprofit organizations and manufacturers. A majority of his practice is audits, although he often provides full service to his clients taking responsibility for tax compliance matters for his government and nonprofit sector clients.

Ed received his bachelor's degree in accounting from the University of Illinois. He is a member of the AICPA, the Illinois CPA Society, and the Illinois Government Finance Officers Association. He has served on the Illinois CPA Society's Government Report Review Task Force and is a

Proposed Engagement Team (continued)

Edward G. Tracy, CPA | Executive Vice President and Shareholder (continued)

reviewer in the Government Finance Officers Association Certificate of Achievement Program. Ed has also been a training instructor for the Illinois CPA Society's Government Report Review Task Force and has written articles on auditing government entities for both the Illinois Association of Park Districts and the Township Officials of Illinois member publications.

An avid Chicago Cubs and Bulls fan, Ed enjoys golfing and spending spend time with his wife and four children, including triplets.



Peggy L. Brady, CPA | Quality Control Audit Senior Vice President

As a member of the Selden Fox Auditing and Assurance group, Peggy performs independent reviews of financial statements, audit reports, and high-risk areas for the firm's clients. She develops and conducts continuing education curriculum for the firm to provide technical guidance and assistance.

Prior to joining Selden Fox in 2012, Peggy worked at a national firm for more than 10 years, most recently serving as a director of audit and accounting. In this position, and through assurance and consulting engagements, she gained managerial experience and technical expertise in a variety of industries.

She completed her undergraduate studies at Augustana College earning a bachelor's degree in accounting and business administration. Peggy went on to study at DePaul University and was awarded a master's degree in business administration. Peggy is a member of the AICPA and the Illinois CPA Society. She also is a member of the Accounting Principles Committee with the Illinois CPA Society.

Outside of work, Peggy enjoys spending time with her husband and two daughters and being involved with their extracurricular activities and school. She is a co-troop leader and volunteer with Girl Scouts of Greater Chicago and Northwest Indiana.

Selden Fox has adopted the AICPA Code of Ethics and Standards of Professional Conduct. We have a three-member Quality Assurance team that reviews all attestation work performed by Selden Fox. This team also conducts an annual internal monitoring process to monitor and enforce the code of conduct and standards.

Requested Services

Annual Audit

We will perform the annual audit of the financial statements of Wilmette Public Library District in accordance with generally accepted auditing standards and issue an opinion on the financial statements for the years ending June 30, 2025, 2026, and 2027.

Additional Reports

We will prepare and file the annual supplemental report by the Office of the Comptroller of the State of Illinois.

Management Letter

We will consider the financial records and related internal controls in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements. We will prepare a detailed letter of comment on internal controls and, if applicable, other recommendations for improvement.

Communication to the Board of Library Trustees

We will prepare a letter providing additional information regarding the scope and results of the audit as set forth in the auditing standards. Such information will include all audit adjustments and an immediate written report of all irregularities and illegal acts or indications of illegal acts of which we become aware to the Library Director.

Attendance at Board or Audit Committee Meetings

We are available to attend board or committee meetings to discuss audit results and any recommendations for improvement. Additionally, we are available to meet with staff to discuss final adjustments.

Fee Proposal

Our fees are based on actual time spent rendering services at standard professional hourly rates, which are related to the level of experience and training of the individuals assigned. Our estimated fees for the outlined services are billed periodically. We estimate that our professional fees (inclusive of all expenses) for the requested services are as follows:

FYE25	FYE26	FYE27
\$11,500	\$12,000	\$12,500

The above fee considers the implementation of any standards issued to date. Our proposed fees outlined on page one assumes that:

- The accounting records and related documentation will be adequate and up to date with accounts properly reconciled. No audit adjustments to the general ledger trial balance provided by management are expected. Such adjustments may increase the ultimate professional costs for the audit.
- Our audit staff will receive maximum assistance in retrieving documents and in preparing confirmation requests and required schedules.

It should also be noted that occasionally, because of unexpected happenings or unanticipated events, it becomes necessary to charge more than budgeted. In our experience, these are rare events, and such changes are not made without the client's concurrence. Our proposed fee will be the Library's cost unless otherwise mutually agreed.

We are available throughout the year to answer questions as they arise and indeed encourage the Library to do so. Time spent on such inquiries will not be billed unless it is necessary for us to research the question and/or provide a memo of our findings or recommendations. Any such billing or additional services, including consulting or special accounting projects, would be billed separately and will not be undertaken without your authorization.

Our Investment

As part of our investment in a long-term relationship with you, all review and preparation work related to the transition in accounting firms will be absorbed by our firm. This work entails discussions and review of workpapers with predecessor auditors; preparation of our permanent files, including system and internal control documentation; initial drafting of our audit planning document; and first year costs relating to report preparation. **The value of this initial investment that will not be billed to the Library is approximately \$2,500.**