

December 13, 2019



SERVICE PROPOSAL

Auditing Services

PREPARED FOR:

VILLAGE OF OLYMPIA FIELDS



SUBMITTED BY:

Sikich LLP – Government Services
Brian LeFevre, CPA, MBA
Partner

1415 West Diehl Rd., Suite 400
Naperville, IL 60563
630.566.8505
brian.lefevre@sikich.com

ACCOUNTING TECHNOLOGY ADVISORY

SIKICH.COM

TABLE OF CONTENTS

Transmittal Letter	3
Executive Summary.....	4
Technical Proposal.....	5
Statement of Independence	5
License to Practice in Illinois.....	5
Partner, Supervisory and Staff Qualifications and Experience.....	5
Specific Audit Approach.....	6
Why Village of Olympia Fields Should Select Sikich	8
Access.....	8
Experience.....	9
Initiative	10
Scope of Services for Village of Olympia Fields	11
Additional Resources and Services	13
Fee Proposal (1 year engagement).....	15
Fee Proposal (3 year engagement).....	15
Exhibits	16
Peer Review.....	16

TRANSMITTAL LETTER

December 13, 2019

The Honorable President
Members of the Board of Trustees
C/O Ms. Betty Zigras
Finance Director
Village of Olympia Fields
20700 Governors Highway
Olympia Fields, Illinois 60641

Ladies and Gentlemen:

Sikich is pleased to be considered for the reappointment as independent auditors for the Village of Olympia Fields. We believe that our qualifications, experience and expertise are clearly distinguishable as indicated in prior years and in the following proposal. The expertise we possess in the state and local government industry is demonstrated by our clients' successes, our staff's involvement in the industry and our leadership roles in various government associations. Our clients receive the quality and timeliness only available from a firm of our caliber.

We are prepared to continue to commit the resources necessary to provide services to the Village of Olympia Fields. We will not only perform the audit, but we will also provide governmental accounting and financial reporting expertise and technical assistance throughout the year. We understand the scope of the work to be performed and the timing requirements and are committed to performing the specified services within that timeframe.

We appreciate the opportunity to present this proposal, which is a firm and irrevocable offer for 60 days, and look forward to the possibility of serving Village of Olympia Fields.

Sincerely,

A handwritten signature in black ink, appearing to read 'Brian D. LeFevre'.

Brian D. LeFevre, CPA, MBA
Partner

A handwritten signature in black ink, appearing to read 'Frederick G. Lantz'.

Frederick G. Lantz, CPA
Partner-in-Charge, Government Services

EXECUTIVE SUMMARY

We know what's challenging to Village of Olympia Fields. Here are the strategies and solutions we recommend for you in order to face those challenges head-on and achieve success.

Thank you for considering Sikich. We appreciate the opportunity to propose for the Village of Olympia Fields.

Sikich is one of the country's top 30 Certified Public Accounting firms and a top 10 value-added reseller of technology products, with more than 750 employees serving clients in all 50 states. Clients turn to us for their professional service needs due to our deep industry knowledge working with organizations of their size and for the caliber of service and attention we provide—especially when it comes to dedicated, experienced service teams and partner access.

DEFINING YOUR CURRENT CHALLENGES

We recognize this is a time of constant change and ever increasing accountability. The task of the Village finance office is no longer to report financial results by long-standing standards that are widely known and commonly understood. The task in today's environment is to keep up with the ever-changing standards from GASB and the Office of Management and Budget with the new Uniform Guidance. The task is also to keep up with new reporting and accountability requirements from the state, new automated processing systems, and fringe benefit tax laws.

DEFINING YOUR BEST POSSIBLE SOLUTIONS

These ever-changing standards and accountabilities require adjusting computer systems and internal processes to adapt to the changing standards and then to report in accordance with the new standards. This shift in the environment has caused a shift in the Village thinking about an audit firm. We understand that the Village requires a year-round partner, who will assist the Village in keeping up to date with the standards and provide assistance, when needed, on specialty topics, as well as someone who can audit to the standards. Sikich is on the leading edge of the standards as they are being developed. We also have a strong commitment to current and effective technology as our firm has a solid core of technological abilities supported by a full technology division.

DEFINING YOUR FUTURE SUCCESS

Additional details around our audit-specific capabilities are included in the next section of this document. These capabilities, in combination with our timely completion and issuance of your reports, will not only fulfill your current needs, but will undoubtedly drive stability for Village of Olympia Fields.

Throughout the following paragraphs, you will find summaries of each section within this proposal. We encourage you to review each section in its entirety to gain a detailed understanding of how we can help you build your bottom line and achieve success.

WHY VILLAGE OF OLYMPIA FIELDS SHOULD SELECT SIKICH

Clients turn to us because our professionals are uniquely qualified to provide the service and industry expertise necessary to drive their organizational success. Specifically, Sikich offers the access to resources, decades of experience and passion for action necessary to face your challenges head-on with you.

PARTNER, SUPERVISORY AND STAFF QUALIFICATIONS AND EXPERIENCE

A crucial component to the Village's success is working with a team completely dedicated to the government industry, ensuring that those individuals understand your challenges and what it takes to realize success. Your engagement team is made up of senior professionals who will provide the expertise, insights and responsiveness your organization requires.

SPECIFIC AUDIT APPROACH

Our approach is always holistic, forward-thinking and customized for Village's specific needs. We operate in a way that provides full attention to evaluating significant areas, including those that present the greatest risk and where new opportunities for financial and operational improvement may exist.

SCOPE OF SERVICES FOR VILLAGE OF OLYMPIA FIELDS

The scope of our work for the Village is outlined in the following proposal. We want to invest in what we hope will become a long-lasting relationship with the Village, which is why we commit to delivering the results the Village requires.

TECHNICAL PROPOSAL

STATEMENT OF INDEPENDENCE

Sikich has evaluated its independence from Village of Olympia Fields units in accordance with generally accepted auditing standards, the Governmental Auditing Standards, 2011 revision, published by the U.S. Government Accountability Office, and the AICPA Code of Professional Conduct. Based upon our evaluation, Sikich is free of any personal and external impairment with respect to Village of Olympia Fields, and is independent with respect to any non-attest services provided to Village of Olympia Fields, both in fact and in appearance to any knowledgeable third party.

LICENSE TO PRACTICE IN ILLINOIS

Sikich is a licensed Public Accountant Limited Liability Partnership in Illinois (license #066-003284). All of the partners assigned to the engagement are registered and licensed Certified Public Accountants (CPAs) in Illinois. In addition, all of the professional staff assigned to the engagement are full time staff and are either registered Certified Public Accountants or are completing the exam.

PARTNER, SUPERVISORY AND STAFF QUALIFICATIONS AND EXPERIENCE

Sikich commits to providing a team of senior professionals, all of whom have unmatched expertise in the government industry.

A crucial component to Village of Olympia Fields's success is working with a team that is completely dedicated to the government industry, ensuring that those individuals understand your challenges and what it takes to realize success. The Village will receive unparalleled levels of expertise, insights and responsiveness from a team of senior professionals who have significant experience working with government entities. Our firm offers several employee retention programs, including tuition reimbursement, CPA review and exam assistance, a computer purchase program, travel assistance and more. We have been named as a Best Place to Work for several years, both on a local and national level. We make every effort to recruit and retain quality staff. However, employee turnover is inevitable. In the event of staff turnover on the Village engagement, we will seek the prior written approval of the Village.

SPECIFIC AUDIT APPROACH

From identifying expectations to executing a plan to preparing for next year, our approach is holistic and always forward-thinking.

For the Village, our approach satisfies a number of requirements, including high-quality service, access to senior resources and specialization in the government industry. We strongly believe Sikich is the firm that can offer you all of these and more.

We will tailor this engagement to the Village’s specific needs—always with a view toward identifying new opportunities for financial and operational improvement. Procedures are designed to give full attention to evaluating significant areas, including those that present the greatest risk. Sikich’s holistic approach will address critical compliance and risk management needs.

Before embarking on this engagement, we will make certain to have a clear understanding of your mission and strategic direction. We do this by identifying and addressing risks and helping you ensure financial strength. We strongly believe there is no such thing as too much communication, not only during the engagement, but also throughout the year.



AUDIT STANDARDS

The objective of our audit is to issue an unmodified opinion on the Village of Olympia Fields’s governmental activities, business-type activities, each major fund and the aggregate remaining fund information that collectively comprise the Village’s basic financial statements. The audit will be conducted in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, and, if necessary, generally accepted government auditing standards issued by the United States Government Accountability Office (GAO, 2011), the Single Audit Act of 1996 and the Uniform Guidance. Our firm will issue an opinion on the basic financial statements and will subject the combining and individual fund financial statements and schedules and any other supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole.

In addition, we will apply certain limited procedures to the Required Supplementary Information. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

We will not audit the statistical or introductory sections of the comprehensive annual financial report (if applicable) and accordingly, will not express an opinion on the information contained in these sections.

Wherever possible, we will utilize your schedules to maximize efficiencies and contain audit costs. We request that the Village provide us with the basic information required for our audit.

Sikich's audit approach includes, but is not limited to, the following procedures:

- Audit plan development
- Determination of materiality
- Audit risk evaluation
- Interviews with management to provide information for detailed documentation of the internal control structure
- Interviews and analysis of audit evidence to identify and assess risks that may result in material misstatement due to fraud
- Measurement of accounting presentation and compliance reporting by identifying and focusing on areas sensitive to organizations like the Village of Olympia Fields
- Performance of testing to evaluate your organization's internal control structure
- Confirmation of various accounts, performance of substantive testing and analytical procedures
- Performance of additional testing, as necessary

PRACTICAL AND CONSTRUCTIVE MANAGEMENT LETTER COMMENTS

We believe the management letter is an important part of the engagement, and we encourage all members of our engagement team to give thoughtful consideration toward developing constructive comments within the constraints of the overall engagement. Our policies regarding management letters adhere to the Professional Standards of the AICPA. If significant deficiencies and material weaknesses in internal controls are noted during the audit, they are required to be communicated in writing to those charged with governance. Items of an immaterial nature (i.e., clerical problems, minor procedures or reporting problems, etc.) are communicated to management. In both cases, we adhere to a strict firm policy that all comments and recommendations are discussed in preliminary form with appropriate personnel prior to their communication. This allows for clarification of misunderstandings, miscommunication or compensating controls or factors which may be in place.

QUALITY CONTROL

At Sikich, we are committed to providing the highest quality audits in the industry. Village of Olympia Fields can be assured of receiving the highest level of quality and ethical professional services. Quality control is so important to us that our firm has been a member of the Private Companies Practice Section of the Division for CPA Firms of the AICPA since our formation in 1982. As such, we have voluntarily submitted our audit and accounting practice to quality control reviews of our compliance with professional standards as established by the AICPA and, more recently, by the United States Government Accountability Office, for more than 30 years. In 2017, we received our tenth consecutive peer review unmodified ("pass") report. This is the highest level of recognition conferred upon a public accounting firm for its quality control systems. Also, we go beyond the external reviews and maintain strong internal reviews of procedures and processes with oversight by our Quality Assurance Committee and our Partner-in-Charge of Quality Assurance. Please refer to the Exhibits section for a copy of our most recent peer review which included a review of specific government engagements since this accounts for a significant segment of our practice.

In addition, our state and local government reports have been reviewed by numerous federal and state oversight bodies and professional organizations. These reports have been judged to meet and, in most instances, exceed industry standards and requirements. Sikich has not been the subject of any disciplinary action or inquiry during the past five years. Sikich is a member of the AICPA's Governmental Audit Quality Center (GAQC), which is a firm-based voluntary membership center designed to promote the importance of quality governmental audits and the value of these audits to purchasers of government audit services. As a member of the GAQC, Sikich has access to key information and comprehensive resources that we use to help ensure our compliance with appropriate professional standards and laws and regulations that affect our audits. Through our membership in the GAQC, we also adhere to membership requirements designed to enhance the quality of our audit practice.

WHY VILLAGE OF OLYMPIA FIELDS SHOULD SELECT SIKICH

Our team works devotedly with governmental entities just like yours, has the resources required to perform this engagement and is technically experienced and insightful.

As previously mentioned, clients turn to us because our professionals are uniquely qualified to provide the service and industry expertise necessary to drive their organizational success. Your challenges are our challenges, and chances are, we have successfully faced them many times before. Aside from this, here are a number of reasons how the Village can benefit from a relationship with Sikich.

ACCESS

With Sikich, you get access to a multitude of resources that will help your organization grow today and in the future.

ACCESS TO SENIOR RESOURCES

You will gain confidence in your operations by working with a team of articulate professionals who have received the highest recognitions in their fields. To demonstrate the importance of our relationship, we pledge to provide you with unparalleled involvement from our most senior resources. Our partners are on-site during audit fieldwork and are available year-round for direct consultation as issues occur.

ACCESS TO EDUCATION

The Village will remain abreast of regulatory changes and best organizational practices as Sikich's team receives ongoing continuing education they will directly apply to the Village's engagement. We accomplish this by anticipating your needs based on our experience with you and your industry, and using a variety of communication channels: timely responses to your questions; informal discussions; mailings on topics of interest to you; and relevant seminars, all of which are complimentary for our clients. Past topics of thought leadership have included:

- Governmental Accounting and Financial Reporting Update
- Implementing GASB Statement No. 67, Financial Reporting for Pension Plans
- Implementing GASB Statement No. 54, Fund Balance Reporting and Government Fund Type Definitions
- Government Financial Resiliency
- Public Sector Strategic Planning
- Performance Measurement
- Payroll Reporting for Government Entities
- Employee Handbook Workshop
- Keeping the Keepers: A Guide to Employee Retention
- Identity Dos & Don'ts: Agency Branding
- Video: Web Applications
- Virtualization
- Fraud Detection and Prevention
- Technology Threats
- Not-for-profit Governance Policies and Procedures
- Unrelated Business Income Tax
- Navigating the New Form 990
- The New 990, What Every Board Member Should Know

ACCESS TO VALUE

Your organization will receive extraordinary value for Sikich's fee because we are dedicated to a customer-centric approach that includes open communication, respect and clear results. As a leader, the overall success of your organization should be the core of your focus. We're here to be your trusted advisor for those functions you can't focus on every moment, as well as for issues affecting the government industry, including new accounting pronouncements and employee benefit regulations. We understand that each client has its own unique set of needs, business practices and operating environment. Our services are tailored to the specific needs of your organization.

EXPERIENCE

Helping clients achieve long-term success is what we do. Our professionals will bring to your engagement the deep industry and service-level experience they have accumulated throughout the years.

EXPERIENCE IN YOUR INDUSTRY

Sikich's state and local government team provides services to more than 450 counties, cities, villages, towns and other local governments. Many of these have been long-standing clients and are evidence of our dedication to the state and local government industry and our ability to provide high quality, timely services within this specialized industry. These clients and related work have enabled our firm to develop an extensive nationally recognized expertise in governmental accounting, auditing and financial reporting procedures and practices.

Senior members of our government services team presently hold memberships and are actively involved in numerous governmental organizations, including:

- AICPA Government Audit Quality Center
- American Institute of Certified Public Accountants (AICPA)
- Central Association of College and University Business Officers (CACUBO)
- GFOA Special Review Committee (SRC)
- Government Finance Officers Association of Missouri (GFOA-MO)
- Government Finance Officers Association of the United States and Canada (GFOA)
- ICPAS Governmental Report Review Committees
- IGFOA Technical Accounting Review Committee
- Illinois Association of County Board Members and Commissioners (IACBMC)
- Illinois Association of Fire Protection Districts (IAFPD)
- Illinois Association of Park Districts (IAPD)
- Illinois Association of School Business Officials (IASBO)
- Illinois City/County Management Association (ILCMA)
- Illinois County Treasurers' Association (ICTA)
- Illinois CPA Society (ICPAS)
- Illinois Government Finance Officers Association (IGFOA)
- Illinois Library Association (ILA)
- Illinois Municipal Treasurers Association (IMTA)
- Illinois Parks and Recreation Association (IPRA)
- Illinois Tax Increment Association (ITIA)
- International City/County Manager's Association (ICMA)
- National Association of College and University Business Officers (NACUBO)

EXPERIENCE IN WHAT WE DO

Your Sikich engagement team is comprised of senior CPAs who have been working in the field for years. Providing high-quality audit services is second nature to each of them, which is proven through our impressive track record of helping clients succeed. This team will provide the Village with timely completion of professional services. Moreover, members of the Sikich government services team have served as expert speakers to organizations, state GFOAs and others for formal presentations at local meetings and annual conferences on a variety of governmental accounting, auditing and financial reporting topics. We have also developed governmental accounting, auditing and financial reporting training courses for various organizations with members of our firm serving as lead instructors for the courses.

EXPERIENCE IN GOVERNMENT OPERATIONS

Because of our large, diverse client base and our ability to attract talent from a variety of professional backgrounds, Sikich has an established reputation as one of the leading providers of professional services in the Midwest to governmental entities. Our team of professionals specializes in the management, operations and financing of general purpose state and local governments, park districts, intergovernmental organizations, municipal utilities and special districts. This focus and our exemplary reputation assure the Village the highest quality work and the most cost-effective delivery of services.

INITIATIVE

One of our strengths at Sikich is our need to be proactive. We find potential issues before you have to worry about them, because we're ready with a solution.

INITIATIVE FOR CUSTOMIZED SOLUTIONS

One-on-one, you will receive customized solutions based on your unique needs, and only your unique needs. You will find that achieving financial stability and growth, as well as uncovering new opportunities to improve performance, is possible through the strategies that Sikich experts will recommend and on which they will educate you.

After a more thorough review of your operations and audit-specific matters, we may uncover other opportunities. As part of our ongoing service and commitment to the Village, we keep you abreast of regulatory changes and best business practices to ensure we identify crucial opportunities that will benefit the Village.

INITIATIVE FOR YOUR SATISFACTION

The Village's success is built upon the quality services and value you feel you receive from Sikich, which is why we will continually gauge your satisfaction to enhance our relationship. At various checkpoints during the engagement, a Sikich representative will meet with you to discuss how satisfied you have been with our services, our team and the value we provide. Areas stressed during these meetings will include:

- What can we do to make our services more valuable to you?
- What specific part of our service exceeded your expectations?
- In which areas do you feel we need improvement?
- Do you feel like a valued client of the firm?
- What is your vision for the Village?

SCOPE OF SERVICES FOR VILLAGE OF OLYMPIA FIELDS

We will exceed your expectations by conducting and delivering on a high-quality engagement within your required timeline—all for a reasonable fee.

We are proposing to provide the following services to the Village of Olympia Fields consistent with prior years:

- Audit of basic financial statements and related notes to financial statements of Village of Olympia Fields for the fiscal year ending April 30, 2020.
- Preparation of twenty-five (25) bound copies and an electronic copy (.pdf) of the annual financial report (MD&A provided by the Village);
- Preparation of ten (10) bound copies and an electronic copy (.pdf) of the management letter for Village of Olympia Fields, communicating any material weaknesses and significant deficiencies found during the audit and our recommendations for improvement;
- Preparation of the report on compliance with Public Act 85-1142 (TIF);
- Preparation of two (2) copies, electronic filing and .pdf of the Annual Financial Report (AFR) filed with the County Clerk and State Comptroller ;
- Preparation of fifteen (15) bound copies and an electronic copy (.pdf) of the Single Audit Report, if applicable;
- Preparation of Data Collection Form to be submitted to the Federal Audit Clearinghouse, if applicable
- Retain workpapers for seven (7) years in accordance with firm standards;
- Reporting to the Board of Trustees in accordance with Statement on Auditing Standards (SAS) No. 114, Communications with Those Charged with Governance;
- Exit conference(s) with Village Officials to present the completed audit and related materials.

IDENTIFICATION OF POTENTIAL AUDIT PROBLEMS

Our firm's approach to resolving any problems that arise during the audit is the same as our overall approach to the audit—professionalism. Professionalism in performing the audit is the cornerstone to our philosophy during all phases of the audit. Any problems encountered during the audit, except for irregularities and illegal acts, will be discussed and documented with the appropriate individuals as defined in our professional standards. The timing of this discussion will provide the Village with ample time to rectify any situations that may otherwise result in the issuance of a qualified audit opinion. Irregularities and illegal acts detected or of which we become aware of will be communicated in writing to the appropriate level as defined in our professional standards.

Our firm's philosophy on additional fees and/or billings is based on an understanding between the firm and the client of the scope of the work to be performed. We have proposed a "not-to-exceed fee" for the audit, the scope and timing of which was specified by the Village. The billings for the audit would not exceed this fee unless the Village specifically requests that the scope of the engagement be expanded and the Village and the firm reach a mutual agreement, in writing, as to the expanded scope of the engagement and the fee, if any, for the expanded scope.

Sikich will comply with all relevant rules and regulations of authoritative bodies and the AICPA Code of Professional Conduct regarding access to our working papers and audit documentation. Reasonable requests for access will not be denied.

ADDITIONAL RESOURCES AND SERVICES

With more than a dozen services, our areas of expertise are oftentimes complementary of one another. How else can we help you meet your government's goals?

Many times, the challenges for which you enlist Sikich's help may be faced more effectively by integrating several of our services. Take a look at what we offer, and talk to your engagement partner about how these services may complement what you are already seeking.

DISPUTE ADVISORY

Disputes of any kind or size can be difficult to handle on your own. For example, what would happen if you began suspecting employee fraud within your organization? A dispute advisory expert can handle every aspect, from insurance claim preparation and being the liaison with law authorities, to creating a fraud prevention program and improving your organization's internal controls.

HUMAN RESOURCES

Your people are a large part of what makes up your organization. Recruiting, training and retaining employees are vital parts of ensuring your organization continues to provide only the best for your constituency. With services such as recruiting and onboarding, compensation and compliance, employee benefits and more, you can better understand what will keep your employees happy and productive.

MARKETING

The effectiveness of your marketing efforts can make or break your organization's success. From eye-catching logos to print and digital collateral, every piece must work for an intended audience. By delivering the right stories and amplifying those messages, you will properly position your organization in the marketplace.

PERFORMANCE-BASED STRATEGIC PLANNING

In an environment where there is increasing pressure for governments to be more efficient, effective and transparent, strategic planning allows an organization to engage stakeholders, focus on its mission, and logically establish short and long-term goals. Our approach, performance-based strategic planning, guides the organization toward its most productive activities and focuses on an institutionalized process. The strategic planning process is a true transition, where Sikich facilitates governments in:

- Developing ideals about what they aspire to
- Transforming ideals into ideas to meet goals
- Converting ideas into specific, actionable items
- Constructing performance measures

We ensure the results of strategic planning meet client expectations by filtering goals, objectives and/or strategies with the organization's internal capacity and available resources. The process of performance-based strategic planning has proven to assist governments in fulfilling the ideals of their community and accomplishing goals through measurable, reportable actions.

PROCESS IMPROVEMENT

Processes truly define organizations, but are often forgotten when seeking root causes to problems or managing more efficient and effective services. Improvements to existing processes—ranging from development review to utility billing—have the potential to decrease cycle time, increase quality and result in higher customer satisfaction. Sikich employs a customer-centric approach to process improvement by involving internal and external customers to understand and make meaningful improvements while continuing to meet their needs.

PUBLIC RELATIONS

Achieve a higher media profile, greater mindshare among your constituents and proper positioning in the marketplace with a thoughtful, research-based and integrated approach to public relations. From overall positioning to media relations, conveying the right stories to the right people is critical in an effective public relations program.

TECHNOLOGY: ERP & CRM SOLUTIONS

Your organization can better stay on track with the right enterprise resource planning (ERP) or customer relationship management (CRM) solution. Whether you are at the start of your search for a new solution or need a new partner to fix a failed implementation, you will have the freedom to explore a variety of products to identify the technology investment that will best capitalize on your potential.

TECHNOLOGY: IT SERVICES

Staying ahead of, or even simply keeping up with, continually changing and complex technology developments can be challenging. Organizational management software, cloud solutions, strategic information technology and IT consulting can all drive your organization toward increased productivity—if implemented the right way.

TECHNOLOGY: SECURITY AND COMPLIANCE

Keeping your organization safe from data breaches and other information security concerns is critical, especially given the vast number of organizations that have been compromised in the last couple of years. Understand where the vulnerabilities in your network lie by obtaining independent, unbiased and technically qualified security assessments—from penetration testing to forensic analyses.

FEE PROPOSAL (1 YEAR ENGAGEMENT)

The following fees apply for a one year engagement:

	2020
Financial Statements, Management Letter, etc., (*)	\$ 22,200
Police Pension**	4,400
TIF Compliance	1,800
Single Audit (If Required)	4,900
Total Base Proposal Cost (including Single Audit)	<u>\$ 33,300</u>
Total Base Proposal Cost (excluding Single Audit)	<u>\$ 28,400</u>

FEE PROPOSAL (3 YEAR ENGAGEMENT)

The following fees apply for a three year engagement.

	2020	2021	2022
Financial Statements, Management Letter, etc., (*)	\$ 21,665	\$ 22,100	\$ 22,650
Police Pension**	4,360	4,450	4,540
TIF Compliance	1,750	1,800	1,850
Single Audit (If Required)	4,900	5,000	5,100
Total Base Proposal Cost (including Single Audit)	<u>\$ 32,675</u>	<u>\$ 33,350</u>	<u>\$ 34,140</u>
Total Base Proposal Cost (excluding Single Audit)	<u>\$ 27,775</u>	<u>\$ 28,350</u>	<u>\$ 29,040</u>

*Audit of the financial statements and preparations of the AFR and Management Letter.

**This fee does not include preparation of the Annual Statement for the Department of Insurance.

If a GAGAS opinion is required for the State of Illinois GATA compliance, the fee would be 50% of the Single Audit fee noted above.

If the Village elects to prepare a comprehensive annual financial report, there would be a one-time fee of \$1,250 in the year of implementation.

These fees assume that the Village will provide the auditors with electronic copies of adjusted trial balances by individual funds, a year-to-date general ledger with details of postings to all accounts, subsidiary ledgers that agree or are reconciled to the general ledger, and will prepare certain schedules of account analysis and confirmations of account balances.

We invoice our clients on a monthly basis as services are provided. Payments for all services are due within 60 days of receipt of an invoice. Invoices not paid within 60 days are assessed a finance charge of 1 percent per month (12 percent annually).

EXHIBITS

PEER REVIEW

Report on the Firm's System of Quality Control

August 22, 2017

To the Partners of Sikich LLP
and the Illinois CPA Society

We have reviewed the system of quality control for the accounting and auditing practice of Sikich LLP (the firm) applicable to engagements not subject to permanent PCAOB inspection in effect for the year ended March 31, 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; audits of employee benefit plans, and examinations of service organizations [SOC 1 and SOC 2 engagements].

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 Sikich LLP applicable to engagements not subject to permanent PCAOB inspection in effect for the year ended March 31, 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*. Sikich LLP has received a peer review rating of *pass*.


Certified Public Accountants