

**Sauk Valley Community College
April 3, 2023**

Action Item 4.5

Topic: Fiscal Year 2022 Single Audit

College Health Metric: Financial Stability – The College uses its revenue prudently while pursuing and utilizing alternative revenue streams. Investment in programs, personnel, processes, and infrastructure are carefully considered and supported by College Planning.

Presented By: Dr. David Hellmich and Kent Sorenson

Presentation:

The College’s fiscal year 2022 independent audit was conducted by Wipfli LLP. The audit engagement was supervised by Matt Schueler, Audit Partner, Sara McKenna, Audit Manager, and Josh Faivre, Audit Manager.

The College’s fiscal year 2022 Single Audit, also known as the Uniform Guidance Audit or previously commonly referred to as an “A-133 audit,” was completed with an unmodified auditors’ report and no material weaknesses or significant deficiencies.

Recommendation:

The administration recommends the Board accept the College’s fiscal year 2022 Single Audit.

March 23, 2023

Board of Trustees
Sauk Valley Community College District #506
Dixon, Illinois 61021

Dear Board of Trustees:

We have audited the financial statements of the business-type activities and the discretely presented component unit of Sauk Valley Community College District 506 (the College) for the year ended June 30, 2022 and have issued our report thereon dated March 23, 2023. Professional standards require that we provide you with the following information related to our audit:

Our Responsibility Under Auditing Standards Generally Accepted in the United States, Government Auditing Standards, and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)

As stated in our engagement letter dated April 28, 2022, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the College's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.

As part of obtaining reasonable assurance about whether the College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit. Also, in accordance with the Uniform Guidance, we examined, on a test basis, evidence about the College's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the purpose of expressing an opinion on the College's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the College's compliance with those requirements.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope, timing, and with respect to significant risks identified by us, all of which were previously communicated to your representative, Sam Ramirez, in our meeting about such matters on December 19, 2022, in addition to our engagement letter dated April 28, 2022, accepted by Kent Sorenson.

Significant Audit Matters

Qualitative Aspects of Account Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the College are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2022.

We noted no transactions entered into by the College during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of depreciation expense is based on estimated useful lives and straight-line methods.
- Management's estimate of pension related deferred outflows of resources and pension disclosures are based on actuarial assumptions and methods that are widely acceptable.
- Management's estimate of OPEB liability, related deferred inflows and outflows of resources, and OPEB disclosures are based on actuarial assumptions and methods that are widely acceptable.
- Management's estimate of allowance for doubtful accounts for tuition receivables are based on accounts receivable aging detail.
- Management's estimate of deferred summer tuition is based on the most common start and end dates of the summer semester and number of days after year-end.

We evaluated the key factors and assumptions used to develop the estimates above in determining that it is reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were the pension and OPEB footnotes.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements With Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letters dated December 29, 2022 and March 23, 2023, copies which accompanies this letter.

Management Consultations With Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the College's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all of the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the College's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not, in our judgment, a condition of our retention.

Other Matters

Required Supplementary Information Accompanying Audited Financial Statements

We applied certain limited procedures to the management's discussion and analysis and the required supplementary information section as listed in the table of contents of the audited financial statements, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Supplementary Information Accompanying Audited Financial Statements

With respect to the supplementary information accompanying the financial statements which includes the supplemental financial information listed in the table of contents of the audited financial statements and the schedule of expenditures of federal awards, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Supplementary Information Not Accompanying Audited Financial Statements

In addition, we presented supplementary information not accompanying the audited financial statements which includes the Consolidated Year-End Financial Report (CYEFR). We made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Other Information Accompanying Audited Financial Statements

The auditor's responsibility for other information accompanying the financial statements was not subjected to the auditing procedures applied in our audit of the financial statements, and we have no obligation to perform any procedures to corroborate other information. Our responsibility is to read the other information and consider whether such information, or the manner of its presentation, is materially inconsistent with information, or the manner of its presentation, appearing in the financial statements. We have read the other financial information as listed in the table of contents of the audited financial statements and have found no material inconsistencies with the information appearing in the audited financial statements.

Other Information in Documents Containing Audited Financial Statements

The auditor's responsibility for other information in documents containing audited financial statements does not extend beyond the financial information identified in our report, and we have no obligation to perform any procedures to corroborate other information contained in a document. Our responsibility is to read the other information and consider whether such information, or the manner of its presentation, is materially inconsistent with information, or the manner of its presentation, appearing in the financial statements. We have read the Data Collection Form and have found no material inconsistencies with the information appearing in the audited financial statements.

We appreciate the opportunity to be of service to Sauk Valley Community College District 506.

This communication is intended solely for the information and use of management, the Board of Trustees, others within the College, and the State of Illinois and includes a description of the scope of our testing of internal control over financial reporting and the results of that testing. The communication related to considering the College's internal control over financial reporting is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting. Accordingly, this communication is not suitable for any other purpose.

Wipfli LLP

Wipfli LLP
Enclosures

March 23, 2023

Wipfli LLP
403 East Third Street
Sterling, Illinois

This representation letter is provided in connection with your audit of the federal award programs of Sauk Valley Community College, Community College District 506 (the "College") as of and for the year ended June 30, 2022, which was performed in accordance with auditing standards generally accepted in the United States; Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

We understand that the purpose of your testing of transactions and records from the College's federal programs was to obtain reasonable assurance that the College had complied, in all material respects, with the compliance requirements that could have a direct and material effect on each of its major programs.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief as of the date of this letter, the following representations made to you during your audit.

Schedule of Expenditures of Federal Awards

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated April 28, 2022.
2. We are responsible for understanding and complying with and have complied with the requirements of the Uniform Guidance including requirements relating to preparation of the schedule of expenditures of federal awards.
3. We have prepared the schedule of expenditures of federal awards in accordance with the Uniform Guidance, and have identified and disclosed in the schedules expenditures made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
4. All material transactions have been recorded in the accounting records and are reflected in the schedule of expenditures of federal awards.

Sauk Valley Community College is dedicated to teaching and scholarship while engaging the community in lifelong learning, public service, and economic development.

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Lisa Wiersema, Chadwick • Kate Boyle, Sterling • Danelle Burrs, Dixon • Sam Ramirez, Sterling

5. Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the schedule of findings and questioned costs.
6. We acknowledge our responsibility for presenting the schedule of expenditures of federal awards, in accordance with the requirements of the Uniform Guidance, and we believe the schedule, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the schedule have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the schedule.
7. If the schedule of expenditures of federal awards is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the schedule of expenditures of federal awards no later than the date we issue the supplementary information and auditor's report thereon.

Information Provided

8. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the College from who you determined it necessary to obtain audit evidence.
9. We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance.
10. As part of your audit, you assisted with preparation of the schedule of expenditures of federal awards and related notes. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have made all management decisions and performed all management functions. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
11. We are responsible for understanding and complying with, and have complied with in all material respects, the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal and state programs and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major federal program.
12. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance requirements applicable to federal and state programs that provides reasonable assurance that we are managing our federal awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal and state programs. We believe the internal control system is adequate and is functioning as intended.
13. We have made available to you all contracts and grant agreements (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.

14. We have received no requests from a federal agency to audit one or more specific programs as a major program.
15. We have complied with direct and material compliance requirements including when applicable, those set forth in the *OMB Compliance Supplement*, relating to federal awards and have identified and disclosed to you all amounts questioned and any known noncompliance with the direct and material compliance requirements of federal awards.
16. We have disclosed any communications from grantors and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
17. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
18. Amounts claimed or used for matching were determined in accordance with relevant guidelines in the Uniform Guidance.
19. We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
20. We have made available to you all documentation related to the compliance with the direct material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
21. We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
22. There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
23. No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken with regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the date as of which compliance was audited.
24. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
25. The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
26. We have charged costs to federal awards in accordance with applicable cost principles.
27. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
28. We are responsible for and have reviewed the auditee section of the Data Collection Form as required by the Uniform Guidance.

29. We have disclosed to you all contracts or other agreements with service organizations. There have been no communications from the service organizations relating to noncompliance at the service organization.

We understand that your audit was made in accordance with auditing standards generally accepted in the United States; the Uniform Guidance, and the standards for financial audits contained in *Government Auditing Standards*, and was, therefore, designed for the purpose of obtaining reasonable assurance about whether the schedule of expenditures of federal awards is presented fairly in all material respects in relation to the financial statements taken as a whole and whether the College had, in all material respects, administered each of its major federal programs in compliance with the laws, regulations, and provisions of contracts or grants agreements noncompliance with which could have a direct and material effect on the federal program. Accordingly, we understand that your tests of the accounting and federal program records and other auditing procedures were limited to those that you considered necessary for those purposes.

Sincerely,



President
Sauk Valley Community College District 506



Vice President of Business Services
Sauk Valley Community College District 506



December 29, 2022

Wipfli LLP
403 East Third Street
Sterling, Illinois

This representation letter is provided in connection with your audits of the financial statements of Sauk Valley Community College – Community College District 506 (the “College”) which comprise the respective financial position of the business-type activities and the discretely presented component unit as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows for the years then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated April 28, 2022, including our responsibility for the preparation and fair presentation of the financial statements in accordance with GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
2. The financial statements referred to above are fairly presented in accordance with GAAP and include all properly classified funds and other financial information of the primary government and all component units required by GAAP to be included in the financial reporting entity.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.

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6. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of GAAP.
7. Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements or in the schedule of findings and questioned costs.
8. We agree with the adjusting journal entries proposed by you and which are given effect to in the financial statements.
9. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with GAAP.
10. Guarantees, whether written or oral, under which the College is contingently liable, if any, have been properly recorded or disclosed.
11. As part of your audit, you prepared the draft financial statements and related notes. We acknowledge our responsibility as it relates to those nonattest/nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.

Information Provided

12. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general ledger and subsidiary ledgers), documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the College from who you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of the College Board of Trustees or summaries of actions of recent meetings for which minutes have not yet prepared.
13. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
14. We have disclosed to you the results of our assessment of risk that the financial statements may be materially misstated as a result of fraud.
15. We have no knowledge of any allegations of fraud or suspected fraud affecting the College involving:
 - a. Management.

- b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
16. We have no knowledge of any allegations of fraud or suspected fraud affecting the College's financial statements communicated by employees, former employees, grantors, regulators, or others.
 17. We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financials statements.
 18. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
 19. We have disclosed to you the names of the College's related parties and all the related party relationships and transaction, including any side agreements.

Government-specific

20. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
21. We have a process to track the status of audit findings and recommendations.
22. We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.
23. We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
24. We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
25. We have no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
26. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
27. We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.
28. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting noncompliance.
29. The College has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any material asset been pledged as collateral, except as disclosed in the notes to the financial statements.

30. The College has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
31. The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
32. The financial statements include all fiduciary activities required by GASBS No. 84, as amended.
33. Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
34. Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
35. Provisions for uncollectible receivables have been properly identified and recorded.
36. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
37. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
38. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
39. Deposits and investment securities are properly classified as to risk, and investments are properly valued and disclosed.
40. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
41. We have appropriately disclosed the College's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available and have determined that net position was properly recognized under the policy.
42. We agree with the findings of specialists in evaluating the College's pension and other post-employment benefits (OPEB) and have adequately considered the qualifications of the specialists in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.
43. We believe that the actuarial assumptions and methods to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.
44. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

45. With respect to the uniform financial statement and supplementary information:
- a. We acknowledge our responsibility for presenting the supplementary information in accordance with GAAP, and we believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b. If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
46. We have implemented the new accounting standard, GASB Statement No. 87, *Leases*, during the audit period. We have implemented the new accounting standard in accordance with the transition guidance prescribed in the Statement. We have sufficient and appropriate documentation supporting all estimates and judgements.

Sincerely,



President
Sauk Valley Community College District 506



Vice President of Business Services
Sauk Valley Community College District 506

Sauk Valley Community College

AJE

Year End: June 30, 2022

Adjusting Journal Entries

Date: 7/1/2021 To 6/30/2022

Checked out by	Prepared by AS 12/22/2022	AS Reviewed by	SM Reviewed by SCM 12/27/2022
Partner	Concurring	Reviewed by JF	

Number	Date	Name	Account No	Reference	Debit	Credit
13	6/30/2022	CPPRT Receivable	01-000000-130230-0000 01	D.10		24,964.00
13	6/30/2022	CPPRT	01-512010-420600-8060 01	D.10	24,964.00	
13	6/30/2022	CPPRT Receivable	02-000000-130230-0000 02	D.10		3,085.00
13	6/30/2022	CPPRT	02-512020-420600-8060 02	D.10	3,085.00	
Client adjusting entry to correct PPRT receivable (CLIENT ALREADY POSTED)						
14	6/30/2022	SURS ONBEHALF REV	062099-336950-420901-8060 06	FF.6-1		122,905.00
14	6/30/2022	State on behalf SURS Expense	062099-336950-529009-1090 06	FF.6-1	51,681.00	
14	6/30/2022	State on behalf SURS Expense	062099-336950-529009-2090 06	FF.6-1	8,471.00	
14	6/30/2022	State on behalf SURS Expense	062099-336950-529009-3090 06	FF.6-1	20,587.00	
14	6/30/2022	State on behalf SURS Expense	062099-336950-529009-4090 06	FF.6-1	5,615.00	
14	6/30/2022	State on behalf SURS Expense	062099-336950-529009-5090 06	FF.6-1	246.00	
14	6/30/2022	State on behalf SURS Expense	062099-336950-529009-6090 06	FF.6-1	2,450.00	
14	6/30/2022	State on behalf SURS Expense	062099-336950-529009-7090 06	FF.6-1	8,760.00	
14	6/30/2022	State on behalf SURS Expense	062099-336950-529009-8090 06	FF.6-1	25,095.00	
Client entry for the defined contribution piece of the special funding on-behalf expense/revenue. (CLIENT ALREADY POSTED)						
					150,954.00	150,954.00
Net Income (Loss)			(559,612.00)			

Sauk Valley Community College

RJE

Year End: June 30, 2022

Reclassifying Journal Entries

Date: 7/1/2021 To 6/30/2022

Checked out by	Prepared by AS 12/22/2022	AS Reviewed by	SM Reviewed by SCM 12/27/2022
Partner	Concurring	Reviewed by JF	

Number	Date	Name	Account No	Reference	Debit	Credit
1	6/30/2022	Land Improvements	08-000000-180110-0000 08	PY REPORT	1.00	
1	6/30/2022	Retained Earnings	08-000000-340000-0000 08	PY REPORT		1.00
1	6/30/2022	Retained Earnings	050410-000000-340000-0000 05	PY REPORT	1.00	
1	6/30/2022	Other Materials and Supplies	050410-550010-540900-6010 05	PY REPORT		1.00
1	6/30/2022	Retained Earnings	063075-000000-340000-0000 06	PY REPORT	2.00	
1	6/30/2022	Travel - In State	063075-564100-550200-4040 06	PY REPORT		2.00
To tie fund balances to PY REPORT (CLIENT DO NOT POST).						
2	6/30/2022	Deferred Tuition	35-000000-270000-2701 35	PY REPORT	149,546.00	
2	6/30/2022	Retained Earnings	35-000000-340000-0000 35	PY REPORT		149,546.00
Wipfli GASB35 entry to establish GASB35 balances (CLIENT DO NOT POST)						
3	6/30/2022	Other Payables	062058-000000-230001-0000 06	GR.4	2.00	
3	6/30/2022	Life Insurance	062058-563320-520130-1060 06	GR.4		2.00
3	6/30/2022	Other Payables	062059-000000-230001-0000 06	GR.4		1.00
3	6/30/2022	Life Insurance	062059-563431-520130-1060 06	GR.4	1.00	
Reclassifying entry to tie out ICCB revenues and expenditures due to rounding. (CLIENT DO NOT POST).						
4	6/30/2022	Office Supplies	01-331120-540110-2080 01	PL.9		11.00
4	6/30/2022	INDIRECT COST RECOVERY	01-512010-730001-2080 01	PL.9	11.00	
Reclassifying entry to balance out transfers due to rounding. (CLIENT DO NOT POST).						
5	6/30/2022	Designated Fund Balance	09-000000-310000-0000 09	SS.3		10,771,950.00
5	6/30/2022	Retained Earnings	09-000000-340000-0000 09	SS.3	10,771,950.00	
To reclass debt related to capital assets for reporting purposes						
6	6/30/2022	BOND PREMIUM - NONCURRENT	09-000000-280101-0000 09	AA.4	161,564.00	
6	6/30/2022	BOND PREMIUM - NONCURRENT	09-000000-280101-0000 09	AA.4		
6	6/30/2022	Unamortized Premium - Current	09-000000-280900-0000 09	AA.4		161,566.00
6	6/30/2022	Interest	09-512090-560400-8020 09	AA.4	2.00	
Wipfli Fund 09 entry to record CY bond premium amortization (CLIENT DO NOT POST)						
7	6/30/2022	Bonds Payable	09-000000-280100-0000 09	AA.1	4,550,000.00	
7	6/30/2022	Debt Certificate Payable - Noncurrent	09-000000-280102-0000 WF 09	AA.1		4,550,000.00
To reclassify the debt certificate into a separate account (CLIENT DO NOT POST)						
8	6/30/2022	Construction in Process	08-000000-180400-0000 08	P.1	1.00	
8	6/30/2022	Accumulated Depreciation	08-000000-189000-0000 08	P.1		1.00
8	6/30/2022	Depreciation Expense	08-520900-580900-8020 08	P.1	1.00	
8	6/30/2022	Financial Charges & Adjustments	08-520900-590400-8060 08	P.1		1.00

Sauk Valley Community College

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Year End: June 30, 2022

Reclassifying Journal Entries

Date: 7/1/2021 To 6/30/2022

Checked out by	Prepared by AS 12/22/2022	AS Reviewed by	SM Reviewed by SCM 12/27/2022
Partner	Concurring	Reviewed by JF	

Number	Date	Name	Account No	Reference	Debit	Credit
To tie capital assets due to rounding. (CLIENT DO NOT POST).						
9	6/30/2022	Deferred Tuition	35-000000-270000-2701 35	D.6.1		149,546.00
9	6/30/2022	Tuition Revenue - Deferred Tuition	35-440000-440199-0000 35	D.6.1	149,546.00	
Wipfli GASB35 entry to record the change in deferred summer tuition (CLIENT DO NOT POST)						
10	6/30/2022	Bond Proceeds	04-512040-410500-8060 04	AA.1	597,297.00	
10	6/30/2022	Premium/Discount on Issuance of LT Debt	09-000000-600200-8000 09	AA.1	597,297.00	
10	6/30/2022	Bond Proceeds	09-512090-410500-8020 09	AA.1		597,297.00
10	6/30/2022	Debt Principal Retirement	09-512090-560300-8020 09	AA.1	175,180.00	
10	6/30/2022	Interest	09-512090-560400-8020 09	AA.1		175,180.00
10	6/30/2022	Other-Financing Sources	04-512040-560500-8060 WP 04	AA.1		597,297.00
To reclass bond premium amortization to interest expense and breakout bond premium on CY issuance (CLIENT DO NOT POST)						
11	6/30/2022	State on behalf SURS Expense	062099-336950-529009-1090 06	FF.6-1	41,612.00	
11	6/30/2022	State on behalf SURS Expense	062099-336950-529009-2090 06	FF.6-1	6,904.00	
11	6/30/2022	State on behalf SURS Expense	062099-336950-529009-3090 06	FF.6-1		54,077.00
11	6/30/2022	State on behalf SURS Expense	062099-336950-529009-4090 06	FF.6-1		16,028.00
11	6/30/2022	State on behalf SURS Expense	062099-336950-529009-5090 06	FF.6-1	201.00	
11	6/30/2022	State on behalf SURS Expense	062099-336950-529009-6090 06	FF.6-1	1,996.00	
11	6/30/2022	State on behalf SURS Expense	062099-336950-529009-7090 06	FF.6-1	7,140.00	
11	6/30/2022	State on behalf SURS Expense	062099-336950-529009-8090 06	FF.6-1	12,252.00	
To reclassify the SURS allocation by function. (CLIENT DO NOT POST)						
12	6/30/2022	Scholarship Allowance - Revenue Adjustment	35-440000-440101-0000 35	FSS.7	2,520,501.00	
12	6/30/2022	Self Health Insurance Revenues	35-490000-490900-0000 35	FSS.7	2,405,384.00	
12	6/30/2022	Self Health Insurance Expenses	35-510000-590000-6000 35	FSS.7		2,405,384.00
12	6/30/2022	Scholarship Allowance - Expense Adjustment	35-510000-590000-9000 35	FSS.7		2,520,501.00
Wipfli GASB35 entry to record scholarship allowance and self health insurance expense adjustment (CLIENT DO NOT POST)						
15	6/30/2022	CASH	069999--111000- 06	A.1, D100.1	1,044,370.00	
15	6/30/2022	DUE TO/FROM	069999--250000- 06	A.1, D100.1		1,044,370.00
15	6/30/2022	Cash Interfund	07-000000-111000-0000 07	A.1, D100.1		1,044,370.00
15	6/30/2022	Interfund Receivable	07-000000-150000-0000 07	A.1, D100.1	1,044,370.00	
Wipfli reclassifying entry to cover negative cash in Fund 06 (CLIENT DO NOT POST)						
					24,237,132.00	24,237,132.00
Net Income (Loss)			(559,612.00)			