

To the Board of Directors and Management of
Sauk Valley College Foundation
Dixon, Illinois

We have audited the financial statements of Sauk Valley College Foundation (the Foundation), a component unit of Sauk Valley Community College District 506, for the year ended June 30, 2020, and have issued our report thereon dated October 21, 2020. 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

As stated in our engagement letter dated March 27, 2020, our responsibility, as described by professional standards, is to express an opinion 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.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to your representative, Bob Sondgeroth, in our discussions about planning matters on October 6, 2020, in addition to our engagement letter dated March 27, 2020, accepted by Lori Cortez.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Foundation are described in Note 1 to the financial statements. In 2020, the Foundation adopted Accounting Standards Update (ASU) No. 2014-09, Revenue from Contracts with Customers (Topic 606). This ASU, as amended, provides comprehensive guidance on the recognition of revenue from customers arising from the transfer of goods and services, guidance on accounting for certain contract costs, and new disclosures. The application of existing policies, other than the policy noted above, have not changed during 2020.

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 estimate affecting the financial statements was:

- Fair value of investments is based on quoted market prices.

The disclosures in the financial statements are neutral, consistent, and clear.

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 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 letter dated October 21, 2020, a copy of this letter is attached.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. To our knowledge, management has not obtained any opinions from other independent accountants on the application of accounting principles generally accepted in the United States which would affect the Foundation's financial statements or on the type of opinion which may be rendered on the financial statements.

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 Foundation's auditors for the preceding year. 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.

We appreciate the opportunity to be of service to Sauk Valley College Foundation.

This communication is intended solely for the use of the Board of Directors and management of Sauk Valley College Foundation and is not intended to be, and should not be, used by anyone other than these specified parties.



Wipfil LLP
Enclosures



October 21, 2020

Wipfli LLP
403 East Third Street
Sterling, Illinois 61081

This representation letter is provided in connection with your audit of the financial statements of Sauk Valley College Foundation (the Foundation), a component unit of Sauk Valley Community College District 506, which comprise the statement of financial position as of June 30, 2020, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance accounting principles generally accepted in the United States (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 March 27, 2020 including our responsibility for the preparation and fair presentation of the financial statements in accordance with GAAP.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
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.
6. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of GAAP.

7. All events subsequent to the date of the financial statements and for which GAAP requires adjustment or disclosure have been adjusted or disclosed.
8. We agree with the adjusting journal entries proposed by you and which are given effect to in the financial statements.
9. There are no uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole.
10. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with GAAP.
11. Material concentrations have been appropriately disclosed in accordance with U.S. GAAP.
12. Guarantees, whether written or oral, under which the Foundation is contingently liable, have been properly recorded or disclosed in accordance with GAAP.
13. We accept responsibility for and have designated an individual with suitable skill, knowledge, or experience to oversee the following nonattest services:
 - a. Financial statement preparation
 - b. Tax return preparation

Information Provided

14. 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.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the Foundation from who you determined it necessary to obtain audit evidence.
 - d. Minutes of the meeting of the governing board or summaries of actions of recent meetings for which minutes have not yet been prepared.
15. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
16. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
17. We have no knowledge of any fraud or suspected fraud affecting the Foundation involving:
 - a. Management.
 - b. Employees who have significant roles in internal control.
 - c. Others where the fraud could have a material effect on the financial statements.

18. We have no knowledge of any allegations of fraud or suspected fraud affecting the Foundation's financial statements communicated by employees, former employees, regulators, or others.
19. We have disclosed to you all known instances of noncompliance or suspected noncompliance with laws and regulations effects should be considered with preparing financial statements.
20. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with GAAP.
21. We have disclosed to you the identity of the Foundation's related parties and all the related party relationships and transactions of which we are aware.
22. The Foundation has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged.
23. Receivables recorded in the financial statements represent valid claims arising on or before the statement of financial position date and have been reduced to their estimated net realizable value.
24. The Foundation has identified all accounting estimates that could be material to the financial statements, including the key factors and significant assumptions underlying those estimates, and we believe the estimates are reasonable in the circumstances.
25. There are no estimates that may be subject to a material change in the near term that have not been properly disclosed in the financial statements. We understand that near term means the period within one year of the date of the financial statements. In addition, we have no knowledge of concentrations existing at the date of the financial statements that make the Foundation vulnerable to the risk of severe impact that have not been properly disclosed in the financial statements.
26. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
27. We have complied with all restrictions on resources (including donor restrictions) and all aspects of contractual and grant agreements that would have a material effect on the financial statements in the event of noncompliance. This includes complying with donor requirements to maintain a specific asset composition necessary to satisfy their restrictions.
28. Sauk Valley College Foundation is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Foundation's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up to date.

To the best of our knowledge and belief, no events, including instances of noncompliance, have occurred subsequent to the statement of financial position date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.

Digitally signed by Lori
Cortez
Date: 2020.10.21 11:20:16
-05'00'

Dr. Lori A. Cortez, Dean of College Advancement
Sauk Valley College Foundation

Sauk Valley Community College - Found

Year End: June 30, 2020

AJE

Date: 7/1/2019 To 6/30/2020

AJE

Checked out by	Prepared by	SM Reviewed by
Partner	JF 10/12/2020	SCM 10/15/2020
	Concurring	Reviewed by JF

Number	Date	Name	Account No	Debit	Credit
1	6/30/2020	Pledges Receivable	03-1220 03		4,627.00
1	6/30/2020	Contributions	03-4115 03	4,627.00	
		To adjust KSB receivables for present value			
				4,627.00	4,627.00
Net Income (Loss)			(450,716.00)		