

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, 2021, and have issued our report thereon dated October 29, 2021. 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 February 17, 2021, 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 September 30, 2021, in addition to our engagement letter dated February 17, 2021, 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 the Organization are described in Note 1 to the financial statements. As described in Note 1, the Organization implemented the Financial Accounting Standards Board Accounting Standards Update (ASU) 2018-13 as it relates to fair value measurement. No other significant accounting policies were changed, and no other new accounting policies were adopted.

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:

- Discount and collectability of pledged receivables
- Present value of charitable remainder annuity trusts payables
- Estimated useful lives of capital assets

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. The following material misstatements detected as a result of audit procedures were corrected by management.

- Recording adjustment to the pledge receivable/contributions to the net present value
- Reclassifying the WACC CEO program as a liability due to the foundation acting as a fiscal agent

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 29, 2021, 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

Wipfil LLP
Enclosures

October 29, 2021

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, 2021, 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 February 17, 2021 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.

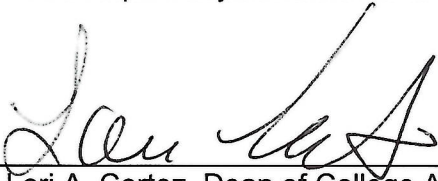
7. All events subsequent to the date of the financial statements and for which GAAP requires adjustment or disclosure have been adjusted or disclosed.
8. We agree with the adjusting journal entries proposed by you and which are given effect to in the financial statements.
9. There are no uncorrected 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

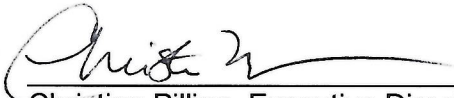
14. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose 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.

A handwritten signature in black ink, appearing to read 'Lori A. Cortez', written over a horizontal line.

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

A handwritten signature in black ink, appearing to read 'Christina Pilling', written over a horizontal line.

Christina Pilling, Executive Director
Sauk Valley College Foundation

Number	Date	Name	Account No	Debit	Credit
2	6/30/2021	Pledges Receivable	03-1220 03		150,529.00
2	6/30/2021	Contributions	03-4115 03	150,529.00	
		To adjust the pledge receivable/contributions to the net present value. (CLIENT TO POST AS 6/30/21)			
4	6/30/2021	Assets held by others	01-2200 01		73,577.00
4	6/30/2021	Contributions	01-4115 01	110,354.00	
4	6/30/2021	Marketing Expenses	01-5420 01		41.00
4	6/30/2021	Awards	01-5820 01		36,736.00
		To reclassify the CEO program as a liability due to the foundation acting as a fiscal agent (CLIENT TO POST AS OF 6/30/21)			
				260,883.00	260,883.00
Net Income (Loss)			2,189,175.00		

Sauk Valley Community College - Foundation

RJE

Year End: June 30, 2021

RJE

Date: 7/1/2020 To 6/30/2021

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
1	6/30/2021	Fund Balance	02-3000 02	PY REPORT			1.00		
1	6/30/2021	Event Expenses - General	02-5710 02	PY REPORT		1.00			
1	6/30/2021	Fund Balance	03-3000 03	PY REPORT			1.00		
1	6/30/2021	Event Income	03-4310 03	PY REPORT		1.00			
To adjust the fund balance to the prior year report (CLIENT DO NOT POST)									
3	6/30/2021	Misc Expenses	01-5910 01	WTB		1.00			
3	6/30/2021	Transfer Out	01-7200 01	WTB			1.00		
Reclassifying entry to match the transfers in with the transfers out (CLIENT DO NOT POST)									
5	6/30/2021	Realized Gain/Loss	02-4220 02	B. 1			71.00		
5	6/30/2021	Misc Expenses	02-5910 02	B. 1		71.00			
To have the unrealized and realized gain match the investment report (CLIENT DO NOT POST)									
						74.00	74.00		
Net Income (Loss)			2,189,175.00						