



December 10, 2013

Miller, Cooper & Co., Ltd.  
1751 Lake Cook Road, Suite 400  
Deerfield, Illinois 60015

This representation letter is provided in connection with your audits of the basic financial statements of Northfield Township High School District 225 (the "District") which comprise the statements of financial position as of June 30, 2013, changes in financial position, and the related notes to the basic financial statements for the year then ended, we confirm that we are responsible for the fair presentation in the financial statements of financial position and changes in financial position in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) and the regulatory basis as prescribed by the Illinois State Board of Education.

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 arrangement letter, dated March 9, 2013, for the preparation and fair presentation of the financial statements, referred to above, in accordance with accounting principles generally accepted in the United States of America and the regulatory basis as prescribed by the Illinois State Board of Education.
2. In all instances where accounting services were provided by Miller, Cooper & Co., Ltd., it was at our request, and we oversaw the process, evaluated the appropriateness and adequacy of the services, and made all management decisions with respect to the services. Additionally, all services were reviewed and approved by us.
3. There are no organizations that are a part of this reporting entity or with which we have a relationship.
4. We have identified for you all of our funds and governmental functions.
5. We have properly classified all funds and activities.
6. We have chosen to report all funds as major funds for presentation purposes.
7. We are responsible for compliance with laws and regulations applicable to the District including adopting, approving, and amending budgets.
8. We have identified and disclosed to you all laws and regulations that have a direct and material effect on the determination of financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
9. 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.
10. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
11. Significant assumptions used by us in making accounting estimates, including useful life of capital assets, those measured at fair value, pension obligations, and self-insurance accruals are reasonable.
12. The following have been properly recorded and/or disclosed in the financial statements:
  - a. The fair value of investments.

- b. Amounts of contractual obligations for construction and purchase of real property or equipment not included in the liabilities or encumbrances recorded on the books.
- c. Debt issue provisions.
- d. All leases and material amounts of rental obligations under long-term leases.
- e. All significant estimates and material concentrations known to management that are required to be disclosed in accordance with the Governmental Accounting Standards Board's, *Codification of Governmental Reporting Standards*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets for which events could occur that would significantly disrupt normal finances within the next year.
- f. Deposits and investment securities categories of risk.
- g. Assets and liabilities measured at fair value.
- h. Interfund transactions, including interfund accounts and advances receivable and payable, sale and purchase transactions, interfund transfers, long-term loans, and guarantees, all of which have been recorded in accordance with the economic substance of the transaction and appropriately classified and reported.

*Information Provided*

13. 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, including all financial records and related data of all funds and activities, including those of all special funds, programs, departments, projects, activities, etc., in existence during the period covered by your audit;
  - b. Additional information that you have requested from us for the purpose of the audit;
  - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence;
  - d. There are no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
  - e. All minutes of the meetings of the governing board or summaries of actions of recent meetings for which minutes have not yet been prepared;
14. All transactions have been recorded in the accounting records and are reflected in the financial statements.
15. 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.
16. We have no knowledge of allegations of fraud or suspected fraud, affecting the entity's financial statements involving:
- a. Management or employees who have significant roles in the internal control.
  - b. Others where the fraud could have a material effect on the financial statements.
17. We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements received in communications from employees, former employees, analysts, regulators, or others.

18. We have no knowledge of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
19. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements, including disclosures and we have not consulted legal counsel concerning litigation or claims in accordance with Section 1500 of the Governmental Accounting Standards Board's, *Codification of Governmental Reporting Standards*.
20. We have no direct or indirect, legal or moral, obligation for any debt of any organization, public or private that is not disclosed in the financial statements.
21. We are aware of no significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the District's ability to record, process, summarize, and report financial data.
22. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
23. We are responsible for making the accounting estimates included in the financial statements. Those estimates reflect our judgment based on our knowledge and experience about past and current events and our assumptions about conditions we expect to exist and courses of action we expect to take. In that regard, adequate provisions have been made:
  - a. To reduce receivables to their estimated net collectable amounts.
  - b. To estimate the useful lives of capital assets.
  - c. For pension obligations, postretirement benefits other than pensions, and deferred compensation agreements attributable to employee services rendered through June 30, 2013.
  - d. To record a liability for health claims incurred but not yet reported as of June 30, 2013.
24. There are no:
  - a. Violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency. In that regard, we specifically represent that we have not been designated as, or alleged to be, a "potentially responsible party" by the Environmental Protection Agency in connection with any environmental contamination or other environmental clean-up obligations.
  - b. Material liabilities or gain or loss contingencies that are required to be accrued or disclosed by Section 1500 of the Governmental Accounting Standards Board's, *Codification of Governmental Accounting and Financial Reporting Standards*.
  - c. Guarantees, whether written or oral, under which the District is contingently liable.
  - d. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances.
  - e. Lines of credit or similar arrangements.
  - f. Agreements to repurchase assets previously sold.
  - g. Security agreements in effect under the Uniform Commercial Code.
  - h. Liens or encumbrances on assets or revenues or any assets or revenues which were pledged, as collateral, for any liability or which were subordinated in any way.
  - i. Debt issue repurchase options or agreements, or sinking fund debt repurchase ordinance requirements.

- j. Authorized but unissued bonds and/or notes.
  - k. Derivative financial instruments.
  - l. Special or extraordinary items.
  - m. Arbitrage rebate liabilities.
  - n. Investments, capital assets, intangibles, or other assets which have permanently declined in value.
25. We have satisfactory title to all owned assets.
26. We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
27. Net positions (invested in capital assets, net of related debt, restricted, and unrestricted) and fund balances are properly classified and, when applicable, approved.
28. Expenses or expenditures 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.
29. Revenues are appropriately classified in the statements of activities within program revenues general revenues.
30. Capital assets are properly capitalized, reported, and depreciated.
31. We agree with the findings of specialists in evaluating other postemployment benefit obligations 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 the 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.
32. With respect to supplementary information presented in relation to the financial statements as a whole:
- a. We acknowledge our responsibility for the presentation of such information.
  - b. We believe such information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America.
  - c. The methods of measurement or presentation have not changed from those used in the prior period.
  - d. There is no supplementary information that is not presented with the audited financial statements.
33. With respect to management's discussion and analysis, the Illinois Municipal Retirement Fund historical data, the other postemployment benefits data, and the budgetary comparison schedules and notes to the required supplementary information presented as required by accounting principles generally accepted in the United States of America to supplement the basic financial statements:
- a. We acknowledge our responsibility for the presentation of such required supplementary information.
  - b. We believe such required supplementary information is measured and presented in accordance with guidelines prescribed by accounting principles generally accepted in the United States of America.
  - c. The methods of measurement or presentation have not changed from those used in the prior period.
  - d. We are aware of no underlying significant assumptions or interpretations regarding measurement or presentation of such information, other than in regards to the assumptions applied to the schedule of funding progress of the Illinois Municipal Retirement Fund, Other Postemployment Benefits and Pension Plans.

- e. We also acknowledge that management's discussion and analysis, the Illinois Municipal Retirement Fund historical data, the other post-employment benefits data, and the budgetary comparison schedules and notes to required supplementary information presented have been subjected to certain limited procedures, and that you will not express an opinion or provide any assurance on them.
34. With respect to the Supplementary Schedules, Statistical Section, Financial Profile Information, Estimated Financial Profile Summary, Estimated Indirect Cost Rate for Federal Programs, Report on Shared Services and Outsourcing, Administrative Cost Worksheet, and Deficit Reduction Calculation prepared in accordance with regulatory standards as prescribed by the Illinois State Board of Education, presented in relation to the financial statements as a whole:
    - a. We acknowledge our responsibility for the presentation of such information.
    - b. We believe such information, including its form and content, is fairly presented in accordance with regulatory standards as prescribed by the Illinois State Board of Education.
    - c. The methods of measurement or presentation have not changed from those used in the prior period.
    - d. There is no required information that is not presented with the audited financial statements.
    - e. We also acknowledge that the average daily attendance figure, used on page 28 and 29, Report on Shared Services or Outsourcing, Itemization Schedule, Reference Page, Audit Checklist/Balancing Schedule, A-133 Single Audit Information Checklist have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and that you will not express an opinion or provide any assurance on them.
  35. We are responsible for determining that significant events or transactions that have occurred since the balance sheet date and through the date of this letter, have been recognized or disclosed in the financial statements. No events or transactions other than those disclosed in the financial statements have occurred subsequent to the balance sheet date and through the date of this letter that would require recognition or disclosure in the financial statements. We further represent that as of the date of this letter, the financial statements were complete in a form and format that complied with accounting principles generally accepted in the United States of America, and all approvals necessary for issuance of the financial statements had been obtained.
  36. During the course of your audits, you may have accumulated records containing data that should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.
  37. We believe there are no material uncorrected misstatements that would require adjustment to the financial statements, including disclosures. For purposes of this representation, we consider items to be material, regardless of their size, if they involve the misstatement or omission 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.

In connection with your audit, conducted in accordance with *Government Auditing Standards*, we confirm:

1. We are responsible for:
  - a. Compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to Northfield Township High School District 225.
  - b. Establishing and maintaining effective internal control over financial reporting.

2. We have identified and disclosed to you all laws, regulations, and provisions of contracts and grant agreements that have a direct and material effect on the determinations of financial statement amounts or other financial data significant to audit objectives.
3. There have been no violations (or possible violations) of laws, regulations, and provisions of contracts and grant agreements whose effects should be considered for disclosure in the auditor's report on noncompliance
4. There has been no fraud, illegal act, violation of provisions of contracts or grant agreements, or abuse.
5. We have a process to track the status of audit findings and recommendations.
6. There have been no previous financial audits, attestation engagements, performance audits, or other studies related to the objectives of the audit being undertaken.
7. We have reviewed, approved, and take full responsibility for all non-audit services and acknowledge of the auditor's role in the preparation of the non-audit services as detailed in the engagement letter.
8. We have reviewed, approved, and take full responsibility for all accrual adjustments.

In connection with your audit of federal awards conducted in accordance with OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, we confirm:

9. We are responsible for complying, and we have complied, with the requirements of OMB Circular A-133.
10. We are responsible for understanding and complying with the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal programs.
11. We are responsible for establishing and maintaining, and we have established and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on our federal programs.
12. We have prepared the Schedule of Expenditures of Federal Awards, in accordance with Circular A-133, and have included expenditures made during the period being audited 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 assistance.
13. We 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 program.
14. We have made available all contracts and grant agreements (including amendments, if any) and any other correspondence relevant to federal programs and related activities that have taken place with federal agencies or pass-through entities.
15. We have no knowledge of questioned costs or noncompliance with the direct and material compliance requirements of federal awards.
16. We believe that we have complied with the direct and material compliance requirements.
17. We have made available all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
18. We have provided you our interpretations of any compliance requirements that are subject to varying interpretations.

19. There have been no 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 your report.
20. There are no 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 your report.
21. There has been no known noncompliance occurring subsequent to the period for which compliance is audited.
22. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared.
23. The copies of federal program financial reports provided to you are true copies of the reports submitted, or electronically transmitted, to the federal agency or pass-through entity, as applicable.
24. We have no subrecipients.
25. We have charged costs to federal awards in accordance with applicable cost principles.
26. We have accurately completed appropriate sections of the data collection form. We further acknowledge our responsibility for the complete, accurate, and timely filing of the data collection form with the Federal Audit Clearinghouse.
27. There have been no contracts or other agreements with service organizations.
28. There have been no communications from service organizations relating to noncompliance at those organizations.

NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT 225  
For the release of the Comprehensive Annual Financial Report:

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Dr. Michael Riggle, Superintendent

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Hillarie Siena, Assistant Superintendent for Business

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Vicki Tarver, Director of Business