

**INTERGOVERNMENTAL PERSONNEL
BENEFIT COOPERATIVE
LAKE VILLA, ILLINOIS**

AUDITOR'S COMMUNICATION TO THE
MEMBERS OF THE BOARD OF DIRECTORS

For the Year Ended June 30, 2021

We are submitting to you the following draft of the board communication to expedite your review. This draft, or elements within should not be shared with any external parties, nor should any inference be made to any parties that no modifications are expected before this board communication is submitted as final.

**INTERGOVERNMENTAL PERSONNEL BENEFIT COOPERATIVE
LAKE VILLA, ILLINOIS**
AUDITOR’S COMMUNICATION TO THE
MEMBERS OF THE BOARD OF DIRECTORS
TABLE OF CONTENTS

Preliminary and Tentative
For Discussion Only

	<u>Page(s)</u>
COVER LETTER	1
REQUIRED COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE	2-4
MANAGEMENT LETTER	5-6
FIRM PROFILE	

REPORT DATE, 2021

Members of the Board of Directors
and Management
Intergovernmental Personnel Benefit Cooperative
Lake Villa, Illinois

Ladies and Gentlemen:

As part of our audit process, we are required to have certain communications with those charged with governance at the beginning of our audit process and at the conclusion of the audit. Those communications include information related to the planned scope and timing of our audit, as well as other information required by Statement on Auditing Standards (SAS) No. 114. Our communication at the beginning of our audit process along with our questionnaire regarding SAS No. 99, *Consideration of Fraud in a Financial Statement Audit* was sent to you on October 6, 2021.

SAS No. 115 requires the communication of internal control related matters to those charged with governance. Our management letter, as well as a listing of future pronouncements that may affect the Cooperative, are enclosed within this document.

This information is intended solely for the use of the Executive Director, Chairperson, Board of Directors, and management of the Intergovernmental Personnel Benefit Cooperative and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Sikich LLP
By: Daniel A. Berg CPA
Partner

REPORT DATE, 2021

Members of the Board of Directors
and Management
Intergovernmental Personnel Benefit Cooperative
Lake Villa, Illinois

Ladies and Gentlemen:

We have audited the basic financial statements of the Intergovernmental Personnel Benefit Cooperative (the Cooperative) for the years ended June 30, 2021 and 2020. Professional standards require that we provide you with the information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 11, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Cooperative are described in Note 1 to the financial statements. No new accounting policies were adopted during the year ended June 30, 2021. We noted no transactions entered into by the Cooperative during the year for which there is a lack of authoritative guidance or consensus.

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 estimate of claims payable is a particularly sensitive estimate made by management during our audit of the financial statements.

The financial statement disclosures 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 known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We noted no such misstatements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the basic 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 **REPORT DATE**, 2021.

Management Consultations with Other Independent 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 Cooperative's basic 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 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 Cooperative's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis and claims development information, which is 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.

We were engaged to report on the other supplemental data which accompanies the basic financial statements but is not RSI. With respect to this supplementary information, 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 of America, 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 basic financial statements.

We compared and reconciled the other supplemental data to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompanies the basic financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

This information is intended solely for the use of the Members of the Board of Directors and Management of the Intergovernmental Personnel Benefit Cooperative and is not intended to be and should not be used by anyone other than these specified parties.

We appreciate the courtesies extended to us by the Cooperative and those associated with it during our audit for this year.

Sincerely,

Sikich LLP
By: Daniel A. Berg, CPA
Partner

**INTERGOVERNMENTAL PERSONNEL
BENEFIT COOPERATIVE
LAKE VILLA, ILLINOIS**

MANAGEMENT LETTER

For the Year Ended
June 30, 2021

Members of the Board of Directors
and Management
Intergovernmental Personnel Benefit Cooperative
Oak Brook, Illinois

Ladies and Gentlemen:

In planning and performing our audit of the basic financial statements of Intergovernmental Personnel Benefit Cooperative (the Cooperative) as of and for the year ended June 30, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered the Cooperative's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Cooperative's internal control. Accordingly, we do not express an opinion on the effectiveness of the Cooperative's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This communication is intended solely for the information and use of management the Board of Directors, and others within Intergovernmental Personnel Benefit Cooperative, and is not intended to be, and should not be, used by anyone other than these specified parties.

Naperville, Illinois
REPORT DATE, 2021

FIRM PROFILE

Preliminary and Tentative
For Discussion Only

ORGANIZATION

Sikich LLP, a leading professional services firm specializing in accounting, technology, investment banking* and advisory services**, has 1,000+ professionals throughout the country. Founded in 1982, Sikich now ranks within the country's top 30 largest Certified Public Accounting firms and is among the top one percent of all enterprise resource planning solution partners in the world. From corporations and not-for-profits to state and local governments, Sikich clients can use a broad spectrum of services and products that help them reach long-term, strategic goals.

INDUSTRIES

Sikich provides services and solutions to a wide range of industries. We have devoted substantial resources to develop a significant base of expertise and experience in:

AGRICULTURE	AUTOMOTIVE	CONSTRUCTION & REAL ESTATE
DISTRIBUTION & SUPPLY CHAIN	GOVERNMENT	HIGH-TECH
LIFE SCIENCES	MANUFACTURING	NOT-FOR-PROFIT
PRIVATE EQUITY	PROFESSIONAL SERVICES	

STATISTICS

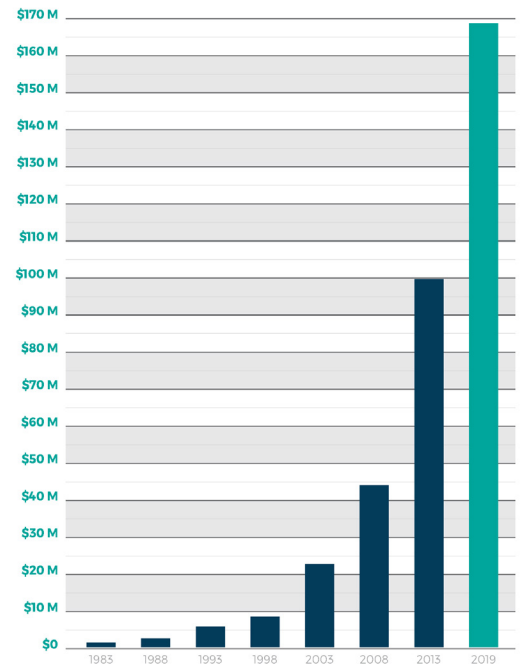
2020 Revenue \$184.2M
 Total Partners 100+
 Total Personnel 1,000+
 Personnel count as of 2020



● SIKICH.LOCATIONS®

Akron, OH (330) 864-6661	Crofton, MD (410) 451-5150	Milwaukee, WI (262) 754-9400	Princeton, NJ (609) 285-5000	Washington, MO (636) 239-4785
Alexandria, VA (703) 836-1350	Decatur, IL (217) 423-6000	Minneapolis, MN (331) 229-5235	Springfield, IL (217) 793-3363	
Boston, MA (508) 485-5588	Indianapolis, IN (317) 842-4466	Naperville, IL (630) 566-8400	St. Louis, MO (314) 275-7277	
Chicago, IL (312) 648-6666	Los Angeles, CA (877) 279-1900	Peoria, IL (309) 694-4251	St. Louis, MO (636) 532-9525	

SIKICH TOTAL REVENUE



SERVICES

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- Business Application
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- Consulting & Implementation
- Security and Compliance
- Digital Transformation Consulting

ADVISORY

- Business Succession Planning
- Insurance Services
- Forensic and Valuation Services
- Human Capital Management & Payroll Consulting
- Investment Banking
- Marketing & Communications
- Retirement Plan Services
- Supply Chain
- Transaction Advisory Services
- Wealth Management

* Securities offered through Sikich Corporate Finance LLC, member FINRA/SIPC.

** Investment advisory services offered through Sikich Financial, an SEC Registered Investment Advisor.

CERTIFICATIONS

All professional accounting staff with more than one year of experience have earned or are working toward earning the Certified Public Accountant designation. Sikich is a member of the American Institute of Certified Public Accountants' Governmental Audit Quality Center and the Employee Benefit Plan Audit Quality

Center. We adhere to the strict requirements of membership, which assure we meet the highest standards of audit quality. In 2020, Sikich received its 11th consecutive unmodified ("pass") peer review report, the highest level of recognition conferred upon a public accounting firm for its quality control systems.

AWARDS

2018-2021

- 2021, 2020 Great Place to Work®
- 2020, 2019 Oracle® NetSuite 5 Star Award
- 2019/2020, 2018/2019 Inner Circle for Microsoft Dynamics
- *Accounting Today* Top 100 Firms - ranked top 30 nationally
- *Accounting Today* Top 100 Value Added Reseller Stars (VARs) - ranked top 10
- Best Places to Work in Illinois
- Best Places to Work in Indiana
- Milwaukee's Best and Brightest Companies to Work For®
- Chicago's Best and Brightest Companies to Work For®
- Boston's Best and Brightest Companies to Work For®
- Bob Scott's Top 100 VARs

2017

- Bob Scott's Top 100 VARs
- *Accounting Today* Top 100 VARs
- Vault Accounting Top Ranked
- When Work Works Award
- WorldatWork Work-Life Seal of Distinction
- Microsoft Dynamics Inner Circle and President's Club
- Best Places to Work in Illinois
- Milwaukee's 101 Best and Brightest Companies to Work For®
- Best Places to Work in Indiana
- Chicago's 101 Best and Brightest Companies to Work For®
- *Milwaukee Journal Sentinel* Top Workplaces in Milwaukee
- *Chicago Tribune's* Top Workplaces
- *Crain's List* Chicago's Largest Privately Held Companies
- Boston's 101 Best and Brightest Companies to Work For®
- National Best and Brightest in Wellness
- National Best and Brightest Companies to Work For



SIKICH IS PROUD TO BE PART OF:

PRIMEGLOBAL

PrimeGlobal is one of the top five largest associations of independent accounting firms in the world, providing a wide range of tools and resources to help member firms furnish superior accounting, auditing, and management services to clients around the globe.

