



INTERNAL MEMO

TO: Library Board of Trustees
FROM: Jeannie Dilger, Executive Director
DATE: February 26, 2019
SUBJECT: Audit Firm Recommendation

Trustees,

Our current 3-year contract with George Roach & Associates (GRA) ended with the FY2017-18 audit. In December, Finance Manager Beth Schwarz and I issued an RFP for audit services for the next three fiscal years.

We received four proposals.

<u>Firm Name</u>	<u>Date Rec'd</u>	<u>Pricing</u>		
		<u>2019</u>	<u>2020</u>	<u>2021</u>
Knutte & Assoc*	11/30/2018	\$ 6,500	\$ 6,750	\$ 7,000
McClure Inserra	12/11/2018	\$12,100	\$11,150	\$11,400
Lauterbach & Amen	12/20/2018	\$ 5,200	\$ 5,400	\$ 5,575
George Roach & Assoc	12/21/2018	\$ 7,500	\$ 7,750	\$ 8,000

*Sikich bought out Knutte & Assoc after the proposal deadline of 12/21/2018.

Interview was conducted with Sikich personnel, who agreed to honor the Knutte proposal.

We spoke to references and asked about communication, training, and ongoing support. We then narrowed it down to two firms for interviews: Lauterbach & Amen, and Sikich.

During interviews, we asked them about their process, the staff assigned to us (and how frequently that would change), and the transition process. With a new firm, it's natural that they might have new findings, and both firms spoke to us about things they might do differently than GRA.



Ultimately, we felt that Lauterbach & Amen is the best choice for our library at this time. They offer regular client trainings, which we feel would be valuable. They are also willing to work with us in advance of our first audit to examine policies and procedures that could be improved. They also quoted the lowest costs of all four respondents. A copy of their proposal is included with your board packet.

Beth and I shared our recommendation with the Finance Committee at their February 19 meeting. We've asked L&A Partner Jamie Wilkey to come to the March board meeting so that everyone can meet her and ask any questions. At that time, we would request that the board approve hiring Lauterbach & Amen for the library's next three audits, beginning with FY 2018-19.

Sincerely,

Jeannie Dilger

Jeannie Dilger
Executive Director

Proposal to Provide
Professional Services to

PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS



For the Years Ending June 30, 2019, 2020 and 2021



Lauterbach and Amen, LLP

Certified Public Accountants
668 N. River Road
Naperville, Illinois 60563
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PALATINE PUBLIC LIBRARY DISTRICT, ILLINOIS

PROPOSAL TO PROVIDE PROFESSIONAL AUDITING SERVICES

For the Years Ending
June 30, 2019, 2020 and 2021

Submitted by:

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Certified Public Accountants
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December 21, 2018



TABLE OF CONTENTS



	<u>PAGE</u>
<i>Transmittal Letter</i>	1-2
<i>Firm Profile</i>	3-12
<i>Audit Approach</i>	13-18
<i>Price and Billing</i>	19-20
<i>References</i>	21-22
<i>Client Listing</i>	23
<i>Appendices</i>	Peer Review Report

Lauterbach and Amen, LLP

Certified Public Accountants
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December 21, 2018

Palatine Public Library District
700 N. North Court
Palatine, IL. 60067

Lauterbach & Amen, LLP (L&A) is pleased to respond to your request to provide auditing services to the Palatine Public Library District (Library).

Enclosed in this proposal are details about our practice, our people and our reputation for quality service to governments, as well as an outline of our audit approach and scope of the audit process. L&A is a firm entirely specialized in the governmental sector, allowing us to provide an unrivaled commitment to exceeding your expectations with regards to quality service, government specific expertise, and timing and approach of the audit process. Our five partners share a combined 100+ years of exclusive government experience, with past experience in not-for-profit, tax and commercial clients. Their years of experience in the governmental sector will directly benefit the Library. L&A possesses the resources and drive to continually exceed your expectations.

At L&A our mission is to provide accounting, compilation, assurance, and consulting services to governments in the spirit of excellence and altruism. As a firm, we are committed to adhering to stringent moral standards in addition to the legally imposed professional standards and guidelines, priding ourselves in our flexible attitude towards accommodating our clients, and continually striving to be an elite personal client service firm. L&A will attain the highest quality employees who share our core values and capacities in order to continue to service our clients at the level at which they are accustomed. Our staff utilizes their expertise to educate clients with the anticipation that it will lead to accurate solutions to challenges that may arise in the daily course of financial activities. Our goal is to maintain personalized relationships with our current clients, while continuing to acquire new clients with the hopes of creating equally valuable bonds. At L&A we continually strive to distinguish ourselves from other accounting firms by emphasizing the following:

EXPERTISE

- ◆ Providing professional audit and consulting services to over 250 local governments on an annual basis, and providing compilation and benefit services to over 250 police and firefighters' pension funds.
- ◆ Possessing exclusive expertise in the area of local government, as evidenced by our exemplary retention rate of the Certificate of Achievement for Excellence in Financial Reporting for clients with continual submissions to the program. L&A is also in the top ten firms nationally that submit audits to the Certificate of Achievement Program.
- ◆ Striving to continually be a proven leader in the government accounting industry and assisting our clients on the implementation of new, complex pronouncements and issues affecting local government, including one-on-one assistance with the understanding and implementation of these new pronouncements and issues. We will provide thorough and timely answers to any of your questions or needs.
- ◆ Maintaining a highly professional staff, each of which possess extensive knowledge in the area of local government, continually broadening their knowledge of local government issues through in-house training, involvement in various local government organizations and through continuing professional education programs.
- ◆ Engaging in audit planning, preliminary work and continual communication with our clients to ensure an efficient and quality audit process. This also ensures that audit issues will be identified early and solutions will be implemented timely.

SERVICE AND QUALITY

- ◆ Allowing our clients to dictate scheduling needs related to the audit process and adhering to those needs. We continually meet or exceed the deadlines established by our clients.
- ◆ Identifying, communicating and assisting in the implementation of identified opportunities for improved and more efficient financial or procedural operations.
- ◆ Maintaining a program of continuity for multi-year engagements, including minimal rotation of staff and in-charge auditors, allowing for the establishment of efficient working relationships with the Library.
- ◆ Continually promoting communication with management from the beginning of our engagement and throughout the year. This includes an entrance conference and planning meetings with the Library, weekly meetings with management to review the progress of the engagement, if requested, an exit conference to discuss our findings and report production issues, meetings with elected officials during the evenings to answer questions regarding the audit and any other related issues, and continual communication throughout the year. We are committed to listening to your needs and customizing the audit process to meet those needs.
- ◆ Customizing our audit approach to focus on those areas that represent significant risk to the Library and any of the Library's uniquely complex issues.

CLIENT TRAINING OPPORTUNITIES

- ◆ Conducting annual training sessions with our clients in a small group setting covering such topics as: new GASB pronouncements, understanding the financial statements, identification of finance department efficiencies and best practices.
- ◆ Forming professional resource alliances with other businesses in the areas of human resources, tax and information technology so, if required and if permitted by current audit independence standards, we would be able to provide the Library the highest level of service.

We are very excited about the opportunity to serve the Library and are committed to providing the Library with quality service and commit to perform the work within the established time period. We believe we have talented people and the appropriate experience to provide you with a quality audit at a fair and competitive price. The Partners that are signing this proposal are entitled to represent the Firm, empowered to submit the proposal and authorized to sign a contract with the Library. This proposal is a firm and irrevocable offer for 90 days. If you have any questions about this proposal or need to discuss these matters further, please contact us. We look forward to your reply.

Respectfully Submitted,
LAUTERBACH & AMEN, LLP



Ronald J. Amen
Partner



Jamie L. Wilkey
Partner

FIRM PROFILE



Lauterbach and Amen, LLP

Certified Public Accountants
668 N. River Road
Naperville, Illinois 60563
www.lauterbachamen.com



FIRM PROFILE

Our office is located in Naperville, Illinois, and staffed professionally as follows:

Partners	5
Managers/Senior Accountants	35
Staff Accountants	<u>85</u>
TOTAL	125

L&A was founded 21 years ago with the goal of providing an unrivaled level of service and expertise to local governments. We are different from most accounting firms in that we are specialized in the governmental sector, and specifically in the area of governmental auditing and consulting. In addition, we provide a wide range of accounting services, some of

which include: tax, monthly accounting and bookkeeping for local governments, and a specialty in Police and Firefighter Pension accounting and consulting. *{As a client of L&A, you will be served by a team whose experience and depth of knowledge will become a valuable management resource.}*

Close Working Relationship with Management

A close working relationship with management on a year-round basis is the best way to provide our clients with the benefit of our depth of knowledge. This approach also allows for the timely resolution of questions and problems as they arise rather than after the fact. Through understanding the client's activities and a close working relationship with management, L&A can best respond do and help initiate programs that lead to improved operations and efficiencies.

{L&A is specialized in the governmental sector and strives for client service excellence}

An Audit is a People-Oriented Endeavor

The team at L&A recognizes that we are involved in a people-oriented endeavor. Our goals and objectives, therefore, are centered around this understanding.

We strive:

- ◆ *To create an environment that encourages a high level of communication between the client and our team*
- ◆ *To provide clients with the highest attainable level of staff capabilities through selective recruiting and creation of a work environment that aids personal growth*
- ◆ *To continually improve the quality of our services*
- ◆ *To support our financial, business, professional and social communities*



FIRM PROFILE

Firm Philosophy

We have a ***full-time commitment*** to governmental accounting and reporting. Through our experience, we are able to help clients anticipate and prepare for changes in their operating environment. The value of our services lies not only in the performance of an efficient audit, but in our detailed review of finance practices, and our extensive

knowledge of key topics affecting local governments. With our extensive experience in the field of local governmental accounting and auditing, we have served a substantial number of municipalities, park districts, libraries, special districts, school districts, pension funds, joint ventures, and various other governmental organizations. We have included a partial list of

such entities as references, and would encourage you to contact any or all of them for references as to our qualifications and level of service. We have also provided our current client listing as evidence of our expertise in and commitment to governmental accounting and auditing.



Client Educational Opportunities

***{L&A's "add value"
approach to the
audit includes
extensive no cost
client training
opportunities
throughout the
year}***

Helping to share our knowledge and expertise in the governmental industry is one of the greatest values we can bring to our clients. We are committed to continually reviewing our process to ensure an efficient audit, ensuring exemplary communication with our clients, and providing education on issues affecting local governments on a year-round basis. This ***no additional cost*** education includes annual group training sessions with our clients covering such topics as the implementation of GASB pronouncements, changes to auditing standards, understanding of the financial statements, identification of department efficiencies and best practices, and other statutory or hot topics affecting local governments.

FIRM PROFILE

A Strong Commitment to the Industry We Serve

Our involvement in the local government field includes active membership, support and participation in numerous professional organizations which serve the financial and management teams of local government, including:

- ◆ *Government Finance Officers Association (GFOA)*
- ◆ *Illinois Government Finance Officers Association (IGFOA)*
- ◆ *Illinois CPA Society Committees on Governmental Accounting*
- ◆ *AICPA Government Audit Quality Center*
- ◆ *American Institute of Certified Public Accountants*
- ◆ *Illinois Municipal Treasurers Association (IMTA)*
- ◆ *Illinois Association of Park Districts/ Illinois Parks & Recreation Association (IAPD/IPRA)*
- ◆ *Illinois Association of School Board Officials*
- ◆ *Special Review Committee - Certificate of Achievement for Excellence in Financial Reporting (CAFR) - GFOA*
- ◆ *Illinois Library Association*
- ◆ *Township Officials of Illinois*
- ◆ *Technical Account and Review Committee (TARC) - IGFOA (Responds to GASB Pronouncement Exposure Drafts)*
- ◆ *Illinois Public Pension Fund Association (IPPFA)*
- ◆ *Illinois Department of Insurance—Task Force*

In addition, we have written articles for publication, instructed training courses and done public presentations for a number of the organizations listed above.

*{Involvement in our
industry's organizations
and providing educational
support to these groups is a
passion of our leadership
team}*



FIRM PROFILE

Government Expertise = Extensive Services Available

It has been our experience that questions or problems may arise during the year for which a client might call upon us for assistance. The following is a partial list of the services we can provide to governmental entities:

- ♦ Financial Reporting-Assistance in the implementation of authoritative pronouncement requirements
- ♦ Assistance in obtaining or securing the Certificate of Achievement for Excellence in Financial Reporting (CAFR) from the GFOA
- ♦ Utility or Enterprise Funds-Analysis, forecasting, rate structure, and consulting services
- ♦ Federal, State and Local Grant Reporting requirements
- ♦ Budget-Assistance in obtaining the Distinguished Budget Award from the GFOA, appropriation and tax levy documents
- ♦ Personnel Issues-Evaluation and executive search
- ♦ Policies and procedures documentation and implementation
- ♦ Temporary staffing and training
- ♦ Pension fund related issues, including benefit calculations, funding analysis, etc.
- ♦ Human Resources-Taxability issues, fringe benefits, policies, etc.
- ♦ Outsourced finance and accounting department functions, including all levels of finance functions
- ♦ Taxpayer Compliance-Specialized audits for selected revenue sources

Other Information

L&A has not had any federal or state desk reviews of its audits during the last three years. No disciplinary action has been taken against the firm during the last three years by state regulatory bodies or professional associations.

Communication is the Key

We consider it *essential* to maintain the lines of communication throughout the year. To attain this, we both formally (via meetings, letters, etc.) and informally (via telephone calls, emails, etc.) keep our clients advised of changes and recent developments related to governments.

FIRM PROFILE

Quality Assurance

We are committed to providing the highest quality audit product to our clients during all phases of the audit. Our Quality Assurance Team is responsible for reviewing all financial statements before issuance, assisting in technical inquiries and reviewing workpapers and reports of all engagements to verify compliance with professional standards and our Firm's policies. At L&A we pride ourselves in providing a quality audit. As such, we are a member of the Private Companies Practice Section (PCPS) of the Division for CPA Firms of the AIPCA, submitting our accounting and auditing practice to quality control reviews of our compliance with professional standards as established by the AICPA.



Peer Review

The appendix of our proposal provides a copy of our successful completion of an independent peer review of our accounting and auditing practice. This review was undertaken as a condition of membership in the American Institute of Certified Public Accountants (AICPA), the national organization of CPA's in public practice, industry, government and education. Our reports have been reviewed by numerous federal and state oversight agencies as well as other external professional agencies and organizations. The feedback from these independent reviews

of our clients' financial statements indicates that L&A's reports not only meet, but exceed, industry standards and reporting requirements. Furthermore, there has never been any action taken against our Firm with any state or federal regulatory body or professional organization to which we have submitted our reports.

*{L&A possess the
highest level Peer
Review Rating}*

Independence

We require that all personnel inform the Firm of any lack of independence with respect to all clients. Specific guidelines to be followed are those set forth in the AICPA's Code of Professional Ethics.

Additionally, we are in compliance with the standards established by the General Accounting Office (GAO). More specifically, we are completely independent with respect to the Palatine Public Library District.

FIRM PROFILE

License to Practice

The Firm and all key personnel are duly licensed to practice in the State of Illinois. Our State of Illinois license number is 066-003655.

Conclusion

We are thrilled to have the opportunity to potentially work with the Library. We truly believe we have a passion for the government industry and a passion for providing a level of service well beyond just issuing you audited financial statements. Our approach to client service includes open year-round communication, a large network of resources to assist with even non-audit related questions, and a dedication to furthering education on our industry technical standards and best practices. At L&A you will be served by partners who are dedicated to the government industry and a group of 100+ L&A employees that share in that passion and spend all twelve months of the year working on government engagements.

KEY ENGAGEMENT PERSONNEL

RONALD J. AMEN

MANAGING PARTNER

Mr. Amen has over 25 years of experience serving clients in the governmental sector. He has participated in numerous governmental engagements, including municipalities, park districts, school districts, State and Federal government entities, Universities and other governments.

University of Nebraska

Certified Public Accountant

American Institute of Certified Public Accountants

Member of Government Finance Officers Association (GFOA) and
Illinois GFOA

Member of AICPA Government Audit Quality Center

Member of Illinois Municipal Treasurers Association (IMTA)

Member of Illinois Association of Park Districts/Illinois Parks &
Recreation Association (IAPD/IPRA)

GFOA Special Review Committee for the Certificate of Achievement for Excellence in
Financial Reporting

Instructor for IGFOA Training Courses

Instructor for IMTA Training Courses

Mr. Amen has managed numerous governmental engagements during his experience in public accounting. Assignments ranging from audits, single audits, TIF audits, performance reviews, budgeting, strategic planning, and other projects is a brief history of his background. Due to his extensive government background, Mr. Amen is often used as a resource for providing creative solutions to issues affecting local governments. Mr. Amen functions as a working partner, in that he is available and present during each phase of the audit process.

Mr. Amen has also participated in the management of some large commercial and not-for-profit engagements. This experience includes audits, tax preparation, consulting and strategic planning for both commercial and not-for-profit clients.

***EDUCATIONAL
AND
MEMBERSHIP
BACKGROUND***

***GOVERNMENTAL
ACCOUNTING
AND AUDITING
EXPERIENCE***



KEY ENGAGEMENT PERSONNEL

JAMIE L. WILKEY

TECHNICAL PARTNER

Ms. Wilkey has over 15 years of professional accounting experience exclusively in the governmental sector. She has participated in numerous governmental engagements, including municipalities, park districts, school districts, libraries, special districts and various other units of government.

Truman State University

Northern Illinois University

Member of Illinois Government Finance Officers Association (IGFOA)

Member of Technical Accounting Review Committee (TARC) with IGFOA

Member of Illinois Municipal Treasurers Association (IMTA)

Member of Illinois Association of Park Districts/Illinois Parks &

Recreation Association (IAPD/IPRA)

GFOA Special Review Committee for the Certificate of Achievement for Excellence in
Financial Reporting

Instructor for IGFOA Training Courses

Instructor for IMTA Training Courses

Instructor for IPPFA Training Courses

Ms. Wilkey's experience in the government sector includes management of numerous units of government. Such assignments include annual audits, single audits, TIF audits, grant specific audits, and other related projects. Ms. Wilkey has been responsible for the management of numerous annual audits for government units, all of which has either received the Certificate of Achievement for Excellence in Financial Reporting (CAFR) Award from the GFOA in the first year of their submittal to the program or maintained their CAFR standing.

Ms. Wilkey also has extensive government consulting experience, which includes the responsibility for all financial operations of the government unit, include, but not limited to, the maintaining of the general ledger, trial balance, balance sheet and consolidated financials. Ms. Wilkey has also assisted numerous clients with payroll processing, budget preparation, supervision of accounts receivable, accounts payable and utilities billing processing, tax levies and related documents, and the recommendation and implementation of various finance/accounting department procedures and policies.

EDUCATIONAL AND MEMBERSHIP BACKGROUND

GOVERNMENTAL ACCOUNTING AND AUDITING EXPERIENCE



KEY ENGAGEMENT PERSONNEL

MATT R. BERAN

OPERATIONS PARTNER

Mr. Beran has 13 years of professional accounting experience, 8 of those are exclusively in the governmental sector. Prior to working in government, Mr. Beran was a Supervisor at one of the Big 4 accounting firms. He has participated in numerous governmental engagements, including municipalities, park districts, school districts, libraries, special districts, not-for-profits and various other units of government.

Truman State University

Certified Public Accountant

American Institute of Certified Public Accountants

Member of Illinois Government Finance Officers Association (IGFOA)

Member of Illinois Municipal Treasurers Association (IMTA)

Member of Illinois Association of School Board Officials (IASBO)

Instructor for IMTA Training Courses

Instructor for IASBO Training Courses

Mr. Beran's experience in the government sector includes managing numerous governmental engagements. Assignments ranging from audits, single audits, TIF audits, performance reviews, budgeting, strategic planning, and other projects is a brief history of his background.

Mr. Beran has been responsible for the training of staff at Lauterbach and Amen. The training includes audit methodology and the specifics of governmental accounting, such as property taxes, debt, and full accrual versus modified accrual accounting. He researches new GASB pronouncements and gains an understanding of the change and how it will affect clients, audit staff, and the audit process. Then Mr. Beran passes along this knowledge to clients to ensure they understand what is changing.

Mr. Beran has also been responsible for various agreed-upon procedures including forensic audits. He has been able to observe various municipalities, park districts and libraries and prepare an extensive report on their current internal controls and procedures. Mr. Beran will also then give various suggestions on how to improve internal controls and procedures to improve efficiency and accuracy while still having proper segregation of duties.

EDUCATIONAL AND MEMBERSHIP BACKGROUND

GOVERNMENTAL ACCOUNTING AND AUDITING EXPERIENCE



KEY ENGAGEMENT PERSONNEL

AUDIT TEAM KEY PERSONNEL

Monika has 8 years of professional accounting experience exclusively in the governmental sector. She is a graduate of DePaul University. Monika is specialized in municipal and state agency audits as well as school districts and not-for-profit entities and also specializes in internal control assessment for all governmental clients.

**MONIKA
ADAMSKI**

Sean has 17 years of professional accounting experience, 12 of those years are exclusively in the governmental sector. He is a graduate of St. Xavier University and is a Certified Public Accountant. Sean specializes in municipal audits and Uniform Grant Guidance single audit testing, reporting and submission.

**SEAN
HICKEY**

Lia has 11 years of professional accounting experience exclusively in the governmental sector. She is a graduate of the University of Illinois at Chicago. Lia specializes in Library, Pension and Fire Protection District audits.

**LIA
LOPEZ**

Jen has 7 years of professional accounting experience exclusively in the governmental sector. She is a graduate of the University of Miami and a Certified Public Accountant. Jen specializes in municipal audits, staff training and new hire training. The training includes audit methodology and the specifics of governmental accounting, such as property taxes, debt, and full accrual adjustments.

**JEN
MARTINSON**

Don has 8 years of professional accounting experience, 6 of those years are exclusively in the governmental sector. He is a graduate of Northern Illinois University and is a Certified Public Accountant. Don specializes in municipalities, school districts and Uniform Grant Guidance single audit testing, reporting and submission.

**DON
SHAW**

Erin has 7 years of professional accounting experience exclusively in the governmental sector. She is a graduate of Missouri State University. Erin specializes in auditing municipalities and internal control testing for all government clients. She has completed various agreed upon procedures for clients and prepared reports on their internal controls.

**ERIN
SORDO**

Ann has 8 years of professional accounting experience exclusively in the governmental sector. She is a graduate of Marquette University and is a Certified Public Accountant. Ann is one of L&A's report writers who handles the draft process of the Comprehensive Annual Financial Reports. She also specializes in auditing and performing consulting services for municipalities.

**ANN
VANVOOREN**

AUDIT APPROACH



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AUDIT APPROACH

Overview

We are prepared to meet or exceed all requirements and expectations of the Library. The partners of L&A will be involved in all phases of the audit of the Library as outlined below. L&A does not use statistical sampling in any phase of the audit process. Sample sizes used for testing are in accordance with standards established by the profession and will be determined in the planning phase.

Throughout the audit process we will inform management of audit issues as they arise and maintain the highest level of professionalism in the identification and communication of these issues. Discussion of the issues will take place immediately following their discovery and will allow management ample time to rectify any issues.

	<u>PHASE</u>	<u>NAME</u>	<u>TIMING</u>	<u>HOURS</u>
	Phase 1	Planning	July 2019	4
	Phase 2	Preliminary Fieldwork	July 2019	8
	Phase 3	Fieldwork	August 2019	33
	Phase 4	Drafts	Early September 2019	8
	Phase 5	Audit Completion	Late September 2019	4

AUDIT APPROACH

GFOA Certificate of Achievement

L&A fully supports the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting (CAFR) Program. We have assisted many clients in obtaining their CAFR's and have submitted ***hundreds*** of CAFR's to GFOA over the years. We also work with our clients in subsequent years on the implementation of any recommendations provided by the GFOA. We will respond to GFOA comments for improvement and take care of the filing of the necessary documents each year. We currently submit in excess of ***eighty*** reports to the GFOA on an annual basis and are in ***the top ten firms nationally*** that submit to the program.



Audit Scope and Standards

L&A will issue an opinion on the governmental activities, each major fund and the aggregate remaining fund information, including the notes to the financial statements, which collectively comprise the Library's financial statements, with "in-relation-to" coverage provided on the combining and individual fund financial statements and on any supplementary information. We will not provide an opinion on the Management Discussion and Analysis, but will provide customary review of this information. Introductory and Statistical sections of the Annual Financial Report, if applicable, will not be audited by us.

The audit will be conducted in accordance with generally accepted auditing standards, and, if a single audit becomes necessary, the standards for financial audits contained in *Governmental Auditing Standards* (2004), issued by the Comptroller General of the United States, and the Single Audit Act of 1996; and the provisions of Uniform Grant Guidance 2CFR-2000/OMB Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations*.

AUDIT APPROACH



Planning Phase

July 2019

The purpose of the planning phase is to provide the foundation for the direction that the audit will take. During the planning phase of the audit we will hold an entrance conference with the Library to discuss the audit approach, develop a schedule for completing the audit, and review the areas that we will be focusing on during our audit procedures and testing.

The following is an outline of the key steps performed during the planning phase of the audit:

- ♦ Discussing and agreeing upon report formats to provide information which complies with generally accepted accounting principles. The format should be agreed upon during the planning phase of the audit to ensure timely issuance of the report. Our plan is to adopt a format similar to the previous year.
- ♦ Discussing availability of accounting records and source documents and developing a detailed list of schedules to be prepared by the Library.
- ♦ Developing a schedule for completing the subsequent phase of the audit.



Preliminary Fieldwork Phase

July 2019

Preliminary fieldwork is the next phase of the audit process and involves expanding our understanding of the Library and its finances through a review of various documents and through discussions with the Library. During this phase, we will begin the required study and evaluation of internal accounting controls as part of the financial and compliance audit.

The purpose of our study and evaluation will be to obtain sufficient knowledge and understanding of the internal accounting and administrative control systems used by the Library for reliance on the system of internal control and the degree of such reliance; or to aid us in designing substantive tests in the absence of such reliance. We will hold progress meetings with key management, as necessary, to keep you apprised of the results of our preliminary review and to discuss the key internal controls to be tested.

AUDIT APPROACH



Preliminary Fieldwork Phase-Continued

July 2019

Our approach to the study and evaluation of the internal accounting and administrative controls will be accomplished through the following techniques:

- ◆ We will perform an in-depth review of internal control documentation and working papers made available by the prior audit firm and the Library.
- ◆ We will use internal control questionnaires, narratives and/or flowcharting techniques to document key flows of information. Because of our extensive commitment to government, the questionnaires utilized are designed specifically for use on governmental engagements and, therefore, will provide you with the most meaningful information. We will utilize this information and identify key internal control procedures which will be tested in order to warrant reliance on the identified controls. The objectives of such reliance will be to reduce the extent of substantive work performed, resulting in a more cost-efficient audit approach.
- ◆ We will evaluate audit risk for all key financial statement assertions and compliance determinations using the procedures outlined above. Audit risk is the risk that material financial statement misstatements or material noncompliance will not be prevented or will not be detected and corrected in a timely manner.

We will evaluate audit risk for all key financial statement assertions and compliance determinations using the procedures outlined above. Audit risk is the risk that material financial statement misstatements or material noncompliance will not be prevented or will not be detected and corrected in a timely manner.



Fieldwork Phase

August 2019

This phase of the audit will consist primarily of substantive testing of year-end balances. If any audit issues come to our attention during the course of our work, we will immediately inform you so that action can be taken before the completion of our fieldwork.

We will design our detailed testing procedures to provide both compliance and financial audit coverage where applicable. We utilize custom designed audit programs that are specifically designed for government clients and; therefore, provide for the most efficient and effective approach.

AUDIT APPROACH



Fieldwork Phase-Continued

August 2019

At a minimum, management is to provide supporting schedules for the following areas once we return for fieldwork:

Cash	Accounts Payable
Investments	Payroll
Governmental Revenues/Receivables	Debt Service
Proprietary Revenues/Receivables	Fund Balance/Net Position
Inventories	Grants
Interfunds	Risk Management
Capital Assets	

For financial audit purposes, we will assess the risk of material misstatement associated with a given objective, and perform substantive and compliance procedures. Our substantive procedures will gather evidence as to the completeness, accuracy, or validity of the information contained in the financial statements. These procedures will include confirmation of year-end balances, vouching documents and analytic reviews. Through our compliance procedures, we will gather evidence related to the existence and effectiveness of specific internal controls. These procedures includes examinations of documents for proper approval and review of procedures for compliance with rules, regulations and Library policies.

At the conclusion of fieldwork, workpapers will be reviewed by the engagement partner and we will prepare the Annual Financial Report in accordance with generally accepted accounting principles for government entities. In addition, we will prepare a management letter and other required communication letters that we will review and discuss with the Library during the draft phase of the audit.

Our firm has state of the art production hardware and software. We believe the investment to stay on the cutting edge of technology benefits not only in reporting, but also in suggestions and recommendations.

AUDIT APPROACH



Drafts Phase

Early September 2019

The final completion and quality review of the initial draft of the Annual Financial Report will be completed at the our office and a draft of the Annual Financial Report and related communication letters will be provided to the Library no later than the date agreed to during the entrance conference. The Library will then have a sufficient amount of time to review the draft for questions and/or changes. L&A will then return to the Library's location for the final draft where we will review the Library's questions and/or changes to the Annual Financial Report as well as the client communication letters and submit a final draft of the Annual Financial Report to the Library.



Audit Completion Phase

Late September 2019

Upon approval of the drafts by the Library, we will deliver final, bound financial Annual Financial Reports. At the completion of our audit, we will also provide a the final management letter addressing reportable conditions, if any, and other comments and observations for improvements. The management letter will be provided as a separate document. The management letter will contain, as warranted and appropriate:

- ◆ Specific recommendations for improvement of the accounting practice and procedures and the internal accounting and administrative controls.
- ◆ Comments on the design, controls and audit trails of new and redesigned automated systems, along with suggestions to improve processing methods and procedures.
- ◆ Suggestions for operational improvements or cost efficiencies noted during the course of our work.
- ◆ Findings relative to compliance with the applicable rules and regulations.
- ◆ Comments regarding compliance with laws.
- ◆ Other comments or recommendations and best practices that we believe may be relevant.
- ◆ Upcoming GASB Pronouncements or auditing standards that may affect the Library's financial statements in the future.

L&A strives for continual communication with Library staff and management as well as the Board. As such, the engagement partner will be available for meetings and/or formal presentations of the Annual Financial Report and communication letters with representatives of the Library.

PRICE AND BILLING



Lauterbach and Amen, LLP

Certified Public Accountants
668 N. River Road
Naperville, Illinois 60563
www.lauterbachamen.com



PRICE AND BILLING

AUDITING SERVICES RFP RESPONSE FORM


Firm: Lauterbach & Amen, LLP

Firm Contact / Project Manager: Ronald J. Amen

Email Address: ramen@lauterbachamen.com

Address: 668 N. River Rd.
Naperville, IL 60563

Telephone and Fax Numbers: 630.393.1483 Phone | 630.393.2516 Fax

Signature of Authorized Agent: 

Print Name and Position of Authorized Agent: Ronald J. Amen, Partner

Date of Proposal Submission: December 21, 2018

PRICE STRUCTURE

	2019	2020	2021
District Audit and all Associated Work	\$5,200	\$5,400	\$5,575

PRICE AND BILLING

	Hours	Standard Rate	Quoted Rate	Total
Partner	10	\$140	\$130	\$1,300
Manager	27	\$110	\$100	\$2,700
In - Charge	20	\$70	\$60	\$1,200
	<u>57</u>			<u>\$5,200</u>

In twenty-one years of providing auditing services, Lauterbach & Amen, LLP has never increased an audit price from what was proposed in the RFP. This includes implementation of all future GASB's.

Our firm stresses that we are available throughout the year to provide technical accounting and financial reporting assistance to the Library. We encourage clients to contact us with questions that may arise. In addition, we provide ***no cost*** client training to introduce new GASB pronouncements and auditing standards that may affect the Library, as well as providing other training topics based on client requests and needs.

Schedules Requested

The proposed annual prices are based upon staff support at all levels from the Library personnel and that the Library will provide adjusted trial balances and support (detailed schedules that reconcile to the trial balance) for all balance sheet accounts. At a minimum, management is to provide supporting schedules for the areas outlined in the Fieldwork Phase of the Audit Approach section of this proposal.

Additional Services

Should it become necessary for the Library to request us to render additional services to either supplement the services requested in the RFP or to perform additional work as a result of the specific recommendations included in any report issued on this engagement or new accounting standards, then such additional work will be performed only after discussing with management the level of effort and estimated costs prior to performing any such work.

As independence standards have recently become more stringent related to the types of additional services auditors can perform, L&A would review these independence standards and the types of services requested prior to proposing on any additional services.

REFERENCES



Lauterbach and Amen, LLP

Certified Public Accountants
668 N. River Road
Naperville, Illinois 60563
www.lauterbachamen.com



REFERENCES

We know that our best endorsement comes from satisfied clients. We invite you to contact the following individuals who have been serviced by our firm.

Cary Area Public Library District

Diane McNulty
1606 Three Oaks Road
Cary, IL 60013
847.639.4210

Arlington Heights Library

Donna Ekl
500 N. Dunton Ave
Arlington Heights, IL 60004
847.506.2614

Franklin Park Public Library District

Stan Monkus
10311 Grand Ave
Franklin Park, IL 60131
847.455.6016

Indian Trails Public Library District

Brian Shepard
355 Schoenbeck Road
Wheeling, IL 60090
847.459.4100

Winnetka-Northfield Public Library District

Rebecca Wolf
768 Oak Street
Winnetka, IL 60093
847.446.7220

Additional references can be provided upon request.

* Asterisk indicates governments currently holding the GFOA Certificate of Achievement.

OTHER LIBRARIES SERVED

L&A stands by our quality and service. As such, we encourage you to reach out to any of our Library clients that we serve below:

LIBRARIES			
Addison Public Library	Elk Grove Public Library	Helen Plum Memorial Public Library	Plainfield Public Library District
Algonquin Public Library	Forest Park Public Library	Indian Trails Public Library District	Riverside Public Library
Arlington Heights Library	Fountaindale Public Library District	Joliet Public Library	St. Charles Public Library
Batavia Public Library	Fox River Grove Memorial Library	LaGrange Public Library	Thornton Public Library
Berkeley Public Library	Fox River Valley Public Library *	LaGrange Public Library District	Town & Country Public Library District
Bloomington Public Library	Franklin Park Public Library District	Lake Villa Public Library District	Villa Park Public Library
Broadview Public Library District	Fremont Public Library District	Lemont Public Library District	Warren-Newport Public Library
Brookfield Public Library	Geneva Public Library District	Lincolnwood Public Library District	Winfield Public Library
Cary Area Public Library District	Glen Ellyn Public Library	Mokena Public Library District	Winnetka-Northfield Public Library District
Des Plaines Public Library	Glenside Public Library	North Riverside Public Library	
Eisenhower Public Library District	Harvey Public Library District		

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CLIENT LISTING



Lauterbach and Amen, LLP

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ADDITIONAL GOVERNMENT CLIENTS SERVED

MUNICIPALITIES			
Antioch *	Fox River Grove	Lombard *	Schaumburg
Arlington Heights *	Frankfort *	Manhattan *	Shabbona
Barrington *	Georgetown	Maple Park *	Sleepy Hollow
Barrington Hills	Gilberts *	Mendota *	South Barrington
Bartlett *	Glen Ellyn *	Midlothian	South Elgin *
Beach Park *	Glencoe *	Montgomery *	Stone Park
Beecher	Glenview *	Morton Grove *	Streamwood *
Berkely *	Golf	Naperville	Streator
Bloomington *	Grayslake *	Normal	Sugar Grove *
Bradley	Gurnee *	North Aurora *	Sycamore *
Brookfield *	Hampshire	North Riverside *	Thornton *
Burlington	Harvard	Northbrook *	Timberlane
Burnham	Harvey	Northfield *	Vernon Hills *
Campton Hills	Hinckley	Palos Park *	Volo
Cary *	Homewood	Park Forest *	Warrenville *
Champaign *	Inverness	Pingree Grove *	Wauconda *
Cherry Valley	Itasca	Plano	West Chicago *
Cortland	Johnsburg *	Poplar Grove	Western Springs *
Country Club Hills	Justice	Princeton	Wheaton
Dolton	Kenilworth	Prospect Heights *	Wilmette *
East Dundee *	Kildeer *	Riverside *	Winnetka *
East Hazel Crest	Lake Barrington	Rock Island *	Woodridge *
Elburn	Libertyville *	Rockford *	Yorkville *
Elk Grove *	Lincolnwood *	Rolling Meadows	
Elwood *	Lindenhurst *	Rosemont	
PARK DISTRICTS SPECIAL RECREATION DISTRICTS FOREST PRESERVE DISTRICTS			
Bartlett Park District *	Glenview Park District *	Morton Grove Park District *	Waukegan Park District
Bensenville Park District	Golf Maine Park District	Mundelein Park District *	West Chicago Park District
Bloomington Park District	Gurnee Park District *	Naperville Park District *	Wheaton Park District *
Bolingbrook Park District *	Highland Park Park District *	Norridge Park District	Wildwood Park District
Buffalo Grove Park District	Hoffman Estates Park District *	Northbrook Park District *	Wilmette Park District *
Butterfield Park District	Homewood-Flossmoor Park District *	Northfield Park District	Winnetka Park District *
Byron Park District	Huntley Park District *	Oak Brook Park District *	Northeast DuPage SRA
Carol Stream Park District *	Joliet Park District	Oak Lawn Park District	North Suburban SRA
Cary Park District *	Kenilworth Park District	Oak Park Park District *	Northern Will County SRA
Crystal Lake Park District *	LaGrange Park District *	Park Ridge Park District *	Northwest SRA
Deerfield Park District	LaGrange Park Park District	Plainfield Township Park District *	SEASPAR
Elk Grove Park District *	Lake Bluff Park District *	Round Lake Area Park District	West Suburban SRA
Elmhurst Park District *	Lan-Oak Park District	Schaumburg Park District *	Western DuPage SRA
Geneseo Park District *	Lemont Park District *	St. Charles Park District *	DuPage County Forest Preserve District
Geneva Park District *	Manhattan Park District *	Sycamore Park District	Kane County Forest Preserve District
Glen Ellyn Park District *	Memorial Park District	Veterans Park District	
Glencoe Park District	Mokena Community Park District *	Warrenville Park District *	
SCHOOL DISTRICTS REGIONAL OFFICES OF EDUCATION			
Calumet Public School District 132	LaGrange Highlands School District 106	Northbrook School District 28	Regional Office of Education 44
Cary Comm. Consolidated School Dist. 26 *	Lemont-Bromberek Comb. School Dist. 113A	Northfield Township High School Dist. 225	Sunset Ridge School District 29
DuPage County School District 45	Lemont Township High School District 210	Northfield Township School Treasurer	
Indian Prairie Community Unit School District 204	Lincolnwood School District 74	Regional Office of Education 19	
Kaneland Community Unit School District 302	Mokena School District 159	Regional Office of Education 34	
OTHER ENTITIES			
AllenForce	Glenbard Waste Water Authority	Metro Risk Management Agency	PrairieCat
Barrington Countryside Fire Protection District	Glenview Park Foundation	Minooka Fire Protection District	QuadComm 911
Bensenville Fire Protection District	GovTTC	Mokena Fire Protection District	Regional Emergency Dispatch
Bloomington Park Foundation	Grayslake Fire Protection District	Naperville District #203 General Home & School Association	Rutland Dundee Fire Protection District
Bourbonnais Fire Protection District	Homewood Science Center	New Faith Baptist Church	Solid Waste Agency of Northern Cook Co.
Carpentersville Countryside Fire Prot. Dist.	Huntley Fire Protection District	New Milford Fire Protection District	Southern Combined Dispatch & Comm Sys.
Central Lake County Joint Water Agency	IAP Construction	North Aurora Fire Protection District	Southern Kane County Training Association
Co-Op 90s Medical and Dental Plans	ICCRMC	North Suburban Employee Benefit	Southwest Emergency Communications
Cooperative Computer Services	Illinois Metropolitan Investment Fund	North Suburban Special Recreation	Southwest Central Dispatch
Cuba Township	Illinois Pet Lovers Association	Northeast Dupage Special Recreation	Stillman Fire Protection District
Darien-Woodridge Fire Protection District	Itasca Fire Protection District	Northeastern Illinois Public Safety Training	System Wide Automated Network
Deerfield-Bannockburn Fire Prot. District	Kane County ETSB	Northfield Township	Tri-State Fire Protection District
Downers Grove Sanitary District	Lakes Region Sanitary District	Northlake Fire Protection District	Troy Fire Protection District
DuPage Public Safety Communications	LIMRICC	Northwest Central Dispatch System	Warrenville Fire Protection District
DuPage River Salt Creek Workgroup	Lincolnway Public Safety Comm. Center	Northwest Municipal Conference	Wauconda Fire Protection District
East Dundee Countryside Fire Prot. District	Long Grove Fire Protection District	Northwest Suburban Municipal JAWA	West Suburban Consolidated Dispatch Cntr.
Elburn & Countryside Fire Prot. District	Lyona Township Area Comm. Center	Northwest Water Commission	YMCA of Northwestern DuPage County
Elgin Township	MABAS - IL	Norwood Park Fire Protection District	Zion Township
Elyssa's Mission	MABAS - Northbrook	Oregon Fire Protection District	
Fox Lake Fire Protection District	Maine-Niles ASR	Palos Fire Protection District Firefighters Pension Fund	
PENSION FUNDS			
Bellwood Police Pension	Harwood Heights Police Pension	Naperville Fire Pension	Villa Park Police Pension
Calumet City Police Pension	Justice Police Pension	Pleasantview Fire Pension	Warrenville Fire PDFPF
Countryside Police Pension	Lemont Fire Pension	Sauk Village Fire Pension	West Chicago Fire Pension
Dolton Fire Pension	Lincolnwood Police Pension	Sickney Police Pension	West Chicago Police Pension
East Dundee Countryside Fire Pension	Lyons Police Pension	Summit Police Pension	Willow Springs Police Pension
Elburn and Countryside Fire Pension	Markham Fire Pension	Troy Fire Protection District Firefighters PF *	Zion Police Pension
Franklin Park Fire Pension	Markham Police Pension	University Park Fire Pension	
Geneseo Police Pension Fund	Naperville Fire Pension	University Park Police Pension	

~ Additionally, L&A provides accounting and benefit services to over 250 police and firefighter pension funds in the State ~

* Asterisk indicates governments currently holding the GFOA Certificate of Achievement.

APPENDIX



Lauterbach and Amen, LLP

Certified Public Accountants
668 N. River Road
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Thomas G. Wieland
David A. Grotkin
Joel A. Joyce
Brian J. Mechenich



Carrie A. Gindt
Patrick G. Hoffert
Jason J. Wrasse

System Review Report

July 8, 2015

To the Partners of Lauterbach & Amen, LLP
and the Illinois CPA Society Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Lauterbach & Amen, LLP (the firm) in effect for the year ended March 31, 2015. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under Government Auditing Standards.

In our opinion, the system of quality control for the accounting and auditing practice of Lauterbach & Amen, LLP in effect for the year ended March 31, 2015, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Lauterbach & Amen, LLP has received a peer review rating of *pass*.

A handwritten signature in cursive script that reads 'Reilly, Penner & Benton LLP'.

Reilly, Penner & Benton LLP

Reilly, Penner & Benton LLP
1233 N. Mayfair Road Suite #302 • Milwaukee, WI 53226-3255 • 414-271-7800

www.rpb.biz

11—Privacy Policy

11-1 Introduction

The Palatine Public Library District (the Library) is strongly committed to protecting the privacy of our users. We believe that privacy is essential to the exercise of free speech, free thought, and free association, and we have created this ~~Pp~~privacy ~~Pp~~policy so that users can understand what the Library does with information that is collected. By using the Library's services, including our website, users agree to be bound by the terms of this ~~Pp~~privacy ~~Pp~~policy.

At the Library, the right to privacy includes the right to open inquiry without having the subject of one's interest examined or scrutinized by others. Confidentiality exists when a library is in possession of personally identifiable information about users and keeps that information private on their behalf.

Courts have upheld the right to privacy based on the Bill of Rights of the U.S. Constitution. Many states, including Illinois, provide mandates of privacy in their constitutions and statutory law. Numerous decisions in case law have defined and extended rights to privacy. Under Illinois state law, the Library is subject to the provisions of The Library Records Confidentiality Act (75 ILCS 70/1 et seq.). The Library's privacy and confidentiality policies intend to be in compliance with applicable federal, state, and local laws.

The Library's commitment to privacy and confidentiality has deep roots not only in law but also in the ethics and practices of librarianship. In accordance with the spirit of the American Library Association's Code of Ethics, the Library protects each user's right to privacy and confidentiality with respect to services sought or received and resources consulted, borrowed, acquired, ~~utilized~~used, or transmitted. (Revised 8-10-11, Effective 8-10-11; ~~Reapproved 3-13-13; Revised 3-11-15, Effective 4-1-15; Reapproved 4-12-17~~)

11-2 Notice of Information Gathered

The Library affirms that users have the right of "notice"—to be informed about the policies governing the gathering, retention, and removal of personally identifiable information and about why that information is necessary for the provision of library service.

Information the Library may gather about users includes the following:

- a. Library card registration information such as full name, full address, telephone number, and a photographic image. Additional registration information gathered for those under 14 years of age includes the user's birth date and the full name and address of the parent or legal guardian. Such information is provided voluntarily by users to qualify for borrowing privileges and access to other library services;
- b. Circulation information such as a record of materials currently checked out, lost, or damaged; and fines and fees incurred;
- c. An e-mail address provided voluntarily by users. ~~This~~ allows for a convenient means to receive circulation notices and updates on library resources and programs;
- d. A borrower's card number, required to access most services;
- e. Information relating to registration for library programs including library-wide reading programs;
- f. Information relating to meeting room booking, such as the name of requesting organization, resident cardholder making application, purpose of meetings, and status as a profit or not-for-profit organization; and
- g. Other information reasonably required in the orderly provision of library services.

The Library avoids creating unnecessary records. The Library intends to remove records no longer needed for the provision of library services. The Library intends to avoid practices that might place personally identifiable information on public view. (Revised 8-10-11, ~~Effective 8-10-11;~~ ~~Reapproved 3-13-13, Revised 3-11-15, Effective 4-1-15;~~ Reapproved 4-12-17)

11-3 Disclosure

The Library strives to keep confidential any and all personally identifiable information under its control. The Library will not sell, license, or disclose information to any third party without the user's consent, unless compelled to do so under the law or to comply with a court order. With the user's prior consent, the Library may disclose personally identifiable information to other institutions to facilitate access to library services such as reciprocal borrowing or interlibrary loan. The Library may disclose

information to institutions such as a collection agency in order to protect library resources from loss or damage and to collect fees owed to the Library.

The Library will grant access to library-controlled information about children ~~who have not reached 14 years of age~~ ages 13 and younger to their custodial parents, legal guardians, or legal foster parents. (See Policy 2: Library Cards and Accounts section on Youth)

The Library provides a mechanism by which a patron may grant access to their own personally identifiable information to others to aid in obtaining library services. (See Policy 2: Library Cards and Accounts section on Linking Records) (Revised 8-10-11, ~~Effective 8-10-11; Reapproved 3-13-13; Revised 3-11-15, Effective 4-1-15; Reapproved 4-12-17~~)

11-4 Access by Users

Users are entitled to view ~~and~~/or request updates to their personally identifiable information. Users must be able to verify their identity when accessing such information.

The Library may offer users the opportunity to create their own lists relating to reading, viewing, and listening preferences. Such lists would be voluntarily created and modified by users. Users might elect to receive notification from the library of new materials acquired based on such lists. Such information will be protected under this privacy policy. (Reapproved 3-13-13; ~~Reapproved 3-11-15; Reapproved 4-12-17~~)

11-5 Data Integrity ~~&~~and Security

Data Integrity: The data the Library collects and maintains should be accurate and secure. The Library takes reasonable steps to assure data integrity, including using only reputable sources of data; providing users access to their own personally identifiable data; updating data whenever possible; and destroying data no longer needed.

Data Retention: The Library protects personally identifiable information from unauthorized disclosure. Information is purged or shredded when it is no longer needed. Information that is regularly purged or shredded includes personally identifiable information on library resource use, material circulation history, and security/surveillance data.

Tracking Use: The Library removes links between patron records and materials borrowed. The Library deletes records as soon as the original purpose for data collection has been fulfilled. To protect against loss or damage to the collection, the Library may maintain a link between an item

and the most recent prior checkout of that item. As explained in the Homebound Services Policy, the Library maintains a record of all items checked out by a homebound patron for purposes of selecting materials for that person. (See Policy 3: Library Operations section on Homebound Services)

The Library permits in-house access to information in all formats without creating a data trail. The Library does not request or reveal any personal identification information unless users are borrowing materials, requesting special services, registering for programs or classes, reserving or ~~utilizing~~ using computer stations, or making remote use of those portions of the Library's website restricted to registered borrowers under license agreements or other special arrangements. The Library regularly removes cookies, history, cached files, or other computer and Internet use records that are temporarily retained on its computers or networks.

~~Third-Party~~ Security: The Library strives to ensure that contracts, licenses, and offsite computer service arrangements reflect Library policies and legal obligations concerning patron privacy and confidentiality. Should a third party require access to a user's personally identifiable information, agreements specify appropriate restrictions on the use, aggregation, dissemination, and sale of that information. When users are remotely connecting to licensed databases, the Library will release only information that authenticates users as valid cardholders.

Security Measures: The Library's security measures involve both managerial and technical policies and procedures to protect against loss and the unauthorized access, destruction, use, or disclosure of data. The Library has internal organizational procedures ~~which-that~~ limit access to data and ~~which-that~~ include safeguards so that individuals with access do not ~~utilize-use~~ the data for unauthorized purposes.

The Library will take all measures reasonably necessary to protect the security, confidentiality, and integrity of "personal information" as defined in the Personal Information Protection Act, (815 ILCS 530/1, et seq.).

"Personal information" does not include publicly available information that is lawfully made available to the general public from federal, state, or local government records. Any suspected breach or compromise of the security of data ~~which-that~~ contains personal information will be investigated promptly by the ~~Library-Executive~~ Director or designee. Using personal information for a purpose unrelated to the business of the Library, and making personal information available in order to further disclosures that are unauthorized, also constitute breaches or compromises of the security of the data. The provisions of this paragraph are as defined or stated in 815 ILCS 530/5.

The Executive Director may consult with local law enforcement officials and/or the Library's attorney before making a determination as to notifying the affected individuals that there has been a breach of data ~~which~~ that contains personal information.

If notice to the affected individuals is appropriate, notice will be given in accordance with the Personal Information Protection Act. "Personal information" means an individual's first name or first initial and last name in combination with any one or more of the following data elements, when either the name or the data elements are not encrypted or redacted:

- a. Social Security number,
- b. Driver's license number or state identification card number, or
- c. Account number or credit or debit card number, or an account number or credit card number in combination with any required security code, access code, or password that would permit access to an individual's account

Only the Library Executive Director or designee will contact any individual about a suspected breach or compromise of the security of data ~~which~~ that contains personal information. Every such security-related incident must be reported immediately to the Library Executive Director or designee. (Revised 8-10-11, Effective 8-10-11; ~~Revised 3-13-13, Effective 3-13-13; Revised 3-11-15, Effective 4-1-15~~; Revised 4-12-17; Effective 5-1-17)

11-6 Library Website Security

The Palatine Public Library District is strongly committed to protecting the privacy of its online users. The Library is supported in protecting the privacy of its users by under national and state ~~level~~ laws, as well as the Library's ~~P~~privacy ~~P~~policy.

Type of Information Collected: Where it is necessary for the Library to identify users, the Library collects only the minimum information necessary and retains that information for only as long as it is needed to fulfill its purpose. This information may include IP address, browser type, domain names, access times, and referring website addresses. Additionally, personally identifiable information may be transmitted in connection with other activities, services, or resources made available on our site.

How the Information Is Used: The information is used by the Library for the operation of a service, to maintain quality of a service, and to provide general statistics regarding use of websites. Any personally identifiable information provided is maintained by and accessible only to the Library

unless the Library explicitly states otherwise. The Palatine Public Library District does not sell, rent, lease, or otherwise provide its cardholder lists to third parties.

While remaining committed to user privacy, the Library may be forced to disclose information to the government or third parties where necessary to comply with law. In addition, in the unlikely event that the Library needs to investigate or resolve problems or inquiries associated with the operation of the Library, it may be necessary to disclose information to parties outside of the Library, such as law enforcement or other government officials.

Third-Party Websites: The Library website contains links to websites and resources owned and operated by third parties, including databases and electronic journals, ~~which that~~ the Library has licensed for its users. While every attempt is made to include user information protections in license agreements with these third parties, use of these websites and resources is not governed by the Library's ~~Privacy Policy~~. Such websites are governed by their own privacy policies.

Security: The Library has taken reasonable measures to safeguard the integrity of its data and prevent unauthorized access to information maintained. Steps include, but are not limited to, authentication, monitoring, and auditing. Security measures have been integrated into the design, implementation, and day-to-day practices of the entire operating environment. These measures are intended to prevent corruption of data, to block unknown or unauthorized access to library systems and information, and to provide reasonable protection of private information held by the Library. For example, information required when making online credit card payments for Library fines or fees, is encrypted and transmitted via secure connection to the Library's payment service. No security measures, however, can guarantee complete security from unauthorized ~~"hackers."~~

Cookies: A "cookie" is information that a website may place on a computer's hard drive to collect information about a user. A cookie records an individual's preferences in using a certain website. The Palatine Public Library District does not use any persistent cookies to collect permanent information. The Library may use non-persistent cookies in applications that keep track of a user's session. Non-persistent cookies are ~~only~~ necessary only to maintain session information and are temporary. They are invalidated once a user's session is completed.

Acceptance of Terms: Using the Library's website signifies acceptance of the Library's Privacy Policy. (Adopted 8-10-11, Effective 8-10-11;

~~Reapproved 3-13-13; Revised 3-11-15, Effective 4-1-15;~~ Reapproved 4-12-17)

11-7 Identity Protection

The purpose of this policy is to protect ~~social security~~ Social Security numbers from unauthorized disclosure. The Library does not collect the ~~social security~~ Social Security numbers of patrons. Regarding the use of ~~social security~~ Social Security numbers, the Palatine Public Library District intends to comply with the provisions of the Identity Protection Act (5 ILCS 179/1 et seq.).

Requirements

1. All employees who have access to ~~social security~~ Social Security numbers in the course of performing their duties must be trained to protect the confidentiality of ~~social security~~ Social Security numbers. Training will include instructions on the proper handling of information that contains ~~social security~~ Social Security numbers from the time of collection through the destruction of the information.
2. Only employees who are required to use or handle information or documents that contain ~~social security~~ Social Security numbers will have access to such information or documents.
3. ~~Social security~~ Social Security numbers requested from an individual will be provided in a manner that makes the ~~social security~~ Social Security number easily redacted if required to be released as part of a public records request.
4. When collecting a ~~social security~~ Social Security number, or upon request by the individual, a statement of the purpose or purposes for which the ~~social security~~ Social Security number is being collected and used must be provided.

Prohibited Activities

No employee may do any of the following:

1. Publicly post or publicly display in any manner an individual's ~~social security~~ Social Security number. "Publicly post" or "publicly display" means to intentionally communicate or otherwise intentionally make available to the general public.

2. Print an individual's ~~social security~~ Social Security number on any card required for the individual to access products or services.
3. Encode or embed an individual's ~~social security~~ Social Security number in or on any cards or documents, including, but not limited to, using a barcode, chip, magnetic strip, RFID technology, or other technology.
4. Require an individual to transmit his or her ~~social security~~ Social Security number over the Internet, unless the connection is secure or the ~~social security~~ Social Security number is encrypted.
5. Print an individual's ~~social security~~ Social Security number on any materials that are mailed to the individual, through the U.S. Postal Service, any private mail service, electronic mail, or any similar method of delivery, unless state or federal law requires the ~~social security~~ Social Security number to be on the document to be mailed. Notwithstanding any provision in this ~~S~~section to the contrary, ~~social security~~ Social Security numbers may be included in applications and forms sent by mail, including, but not limited to, any material mailed in connection with the administration of the Unemployment Insurance Act, any material mailed in connection with any tax administered by the Department of Revenue, and documents sent as part of an application or enrollment process or to establish, amend, or terminate an account, contract, or policy or to confirm the accuracy of the ~~social security~~ Social Security number. A ~~social security~~ Social Security number that may permissibly be mailed under this Section may not be printed, in whole or in part, on a postcard or other mailer that does not require an envelope or be visible on an envelope without the envelope having been opened.
6. Collect, use, or disclose a ~~social security~~ Social Security number from an individual, unless:
 - a. Required to do so under state or federal law, rules, or regulations, or when the collection, use, or disclosure of the ~~social security~~ Social Security number is otherwise necessary for the performance of that agency's duties and responsibilities;
 - b. The need and purpose for the ~~social security~~ Social Security number is documented before collection of the ~~social security~~ Social Security number; and
 - c. The ~~social security~~ Social Security number collected is relevant to the documented need and purpose.

7. Require an individual to use his or her ~~social security~~ Social Security number to access an Internet website.
8. Use the ~~social security~~ Social Security number for any purpose other than the purpose for which it was collected.

The prohibitions listed immediately above do not apply in the following circumstances:

1. The disclosure of ~~social security~~ Social Security numbers pursuant to a court order, warrant, or subpoena.
2. The collection, use, or disclosure of ~~social security~~ Social Security numbers in order to ensure the safety of ~~other~~ employees.
3. The collection, use, or disclosure of ~~social security~~ Social Security numbers for internal verification or administrative purposes.
4. The collection or use of ~~social security~~ Social Security numbers to investigate or prevent fraud, to conduct background checks, to collect a debt, to obtain a credit report from a consumer reporting agency under the federal Fair Credit Reporting Act, to undertake any permissible purpose that is enumerated under the federal Gramm Leach Bliley Act, or to locate a missing person, a lost relative, or a person who is due a benefit, such as a pension benefit or an unclaimed property benefit.

Public Inspection and Copying of Documents

Notwithstanding any other provision of this policy to the contrary, all employees must comply with the provisions of any other state law with respect to allowing the public inspection and copying of information or documents containing all or any portion of an individual's ~~social security~~ Social Security number. This includes requests for information or documents under the Illinois Freedom of Information Act. Employees must redact ~~social security~~ Social Security numbers before allowing the public inspection or copying of the information or documents.

Applicability

This policy does not apply to the collection, use, or disclosure of a ~~social security~~ Social Security number as required by state or federal law, rule, or regulation. (Approved 4-13-11, Effective 4-13-11; ~~Reapproved 3-13-13~~; ~~Reapproved 3-11-15~~; Reapproved 4-12-17)

11-8 Enforcement & Redress

The Library conducts regular privacy audits in order to ensure that all library programs and services are in compliance with this privacy policy. Library users who have questions, concerns, or complaints about the library's handling of their privacy and confidentiality rights should file written comments with the Library Executive Director. The Library will respond in a timely manner and may conduct a privacy investigation or review of policy and procedures. (Reapproved 3-13-13; ~~Revised 3-11-15, Effective 4-1-15~~; Reapproved 4-12-17)

11-9 Release of Information from the Patron Record to Courts or Sworn Officers

The Library authorizes only the Library Executive Director and designated Person In Charge to receive or comply with requests from law enforcement officers. The Library confers with its legal counsel before determining the proper response. The Library will ~~only~~ make library records available only to any agency of federal, state, or local government if a subpoena, warrant, court order, or other investigatory document is issued by the Federal Government or by a court of competent jurisdiction that shows good cause and is in proper form, or if a sworn law enforcement officer states there is probable cause to believe there is imminent danger that someone will be physically harmed and that it is impractical to secure a court order as a result of an emergency. The sworn officer making such a claim must complete and sign a form (~~Appendix 11A~~) acknowledging declaration of said emergency and acknowledging receipt of the information requested from the Library.

The information released under signature of a sworn law enforcement officer will be limited to identifying a suspect, witness, or victim of a crime and will not include disclosure of registration or circulation records that indicate materials borrowed, resources reviewed, or services used at the library.

(Policy 11-9 Adopted January 9, 2008, Effective January 1, 2008; ~~Revised 8-10-11, Effective 8-10-11, Reapproved 3-13-13; Revised 3-11-15, Effective 4-1-15~~; Reapproved 4-12-17)

Appendix 11A – Officer’s Request for Confidential Library Information



Main Library
700 N. North Court
Palatine, IL 60067
847-358-5881

www.palatinelibrary.org

[NOTE: Recommend removal of form from policy manual.]

Officer’s Request for Confidential Library Information

1. This is a request under the Illinois Library Confidentiality Act, 75 ILCS 70/1 for information contained in the library’s registration and/or circulation records.
2. My request for information is limited to identifying a “suspect, witness or victim of a crime.”
3. As the basis for this request, I represent the following:
 - A. I am a sworn law enforcement officer and
 - B. As a result of an emergency where I believe there is imminent danger of physical harm, it is impractical to secure a Court Order for the identification information.
4. The information I request relates to the following event (Describe event and information sought)

Officer’s Name (print)	Officer’s Agency/Department	Badge Number
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Officer’s Signature	Date Signed	Time Signed
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5. Officer’s Acknowledgement - I acknowledge receipt from the Palatine Public Library District of the information I requested.

Officer’s Signature _____

6. Name of staff member assisting with the information requested

Appendix 11A – Officer’s Request for Confidential Library Information

Library Records Confidentiality Act

(75 ILCS 70/1) (from Ch. 81, par. 1201)

Sec. 1. (a) The registration and circulation records of a library are confidential information. No person shall publish or make any information contained in such records available to the public unless:

- (1) required to do so under a court order; or
- (2) the information is requested by a sworn law enforcement officer who represents that it is impractical to secure a court order as a result of an emergency where the law enforcement officer has probable cause to believe that there is an imminent danger of physical harm. The information requested must be limited to identifying a suspect, witness, or victim of a crime. The information requested without a court order may not include the disclosure of registration or circulation records that would indicate materials borrowed, resources reviewed, or services used at the library. If requested to do so by the library, the requesting law enforcement officer must sign a form acknowledging the receipt of the information. A library providing the information may seek subsequent judicial review to assess compliance with this Section.

This subsection shall not alter any right to challenge the use or dissemination of patron information that is otherwise permitted by law.

(b) This Section does not prevent a library from publishing or making available to the public reasonable statistical reports regarding library registration and book circulation where those reports are presented so that no individual is identified therein.

(b-5) Nothing in this Section shall be construed as a privacy violation or a breach of confidentiality if a library provides information to a law enforcement officer under item (2) of subsection (a).

(c) For the purpose of this Section, (i) "library" means any public library or library of an educational, historical or eleemosynary institution, organization or society; (ii) "registration records" includes any information a library requires a person to provide in order for that person to become eligible to borrow books and other materials and (iii) "circulation records" includes all information identifying the individual borrowing particular books or materials.

(Source: P.A. 95-40, eff. 1-1-08.)

(Appendix referenced in Policy 11. Approved by PPLD Board of Trustees 1-9-08, Reapproved 4-12-17)