



116 E. Washington Street  
Suite One  
Morris, Illinois 60450

Phone: (815) 942-3306  
Fax: (815) 942-9430  
[www.mackcpas.com](http://www.mackcpas.com)

TAWNYA R. MACK, CPA  
LAURI POPE, CPA

CATE MOULTON, CPA  
KYLE SHEPPARD, CPA  
MADISON SCHEEL, CPA  
CHRIS CHRISTENSEN  
JESSIKA MCGARVEY

CERTIFIED PUBLIC ACCOUNTANTS

---

Board of Trustees  
and Management  
Shorewood-Troy Public Library District

In planning and performing our audit of the financial statements of Shorewood-Troy Public Library District, for the year ended June 30, 2024, we considered the District's internal control structure to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit we became aware of matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding these matters. This letter does not affect our report dated August 8, 2024, on financial statements of the District as of and for the year ended June 30, 2024.

This report is intended solely for the information and use of management and should not be used for any other purpose. The District should evaluate the cost/benefit of all recommendations to its specific needs.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with various District personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

*Mack & Associates, P.C.*

Mack & Associates, P.C.  
Certified Public Accountants

Morris, Illinois  
August 8, 2024

## Shorewood-Troy Public Library District

### Schedule of Other Matters and Recommendations

June 30, 2024

---

*We became aware of the following matters that are opportunities for strengthening internal controls and operating efficiency:*

#### **2024-01: Financial Statement Preparation**

##### *Condition:*

The District's personnel do not prepare the District's financial statements and related disclosures. The District engages the external auditors to assist in preparing these reports using the financial reports provided by the District. The District's financial reporting personnel are competent, capable, and perform daily and monthly functions adequately. Their expertise is limited, however, in the area of financial statement preparation in accordance with applicable government accounting standards.

##### *Criteria:*

The Board of Trustees has the ultimate responsibility for the District's system of internal control over financial reporting. As independent auditors, the external auditors cannot be considered a part of the District's system of internal controls. While it is acceptable to outsource various functions, responsibility for internal control cannot be outsourced to external auditors.

While it is common practice for the auditors to prepare the financial statements for many entities, this is considered an internal control deficiency in accordance with generally accepted auditing standards, which requires written communication to those charged with governance.

##### *Cause:*

As a municipal entity, the District lacks the resources to prepare complete and accurate financial statements.

##### *Effect:*

Because the auditors, not management, have prepared the financial statements and related disclosures, material misstatements to the financial statements may not be prevented or detected by the District's system of internal controls.

##### *Recommendation:*

The District could consider the costs and benefits of dedicating the necessary staff resources, technical training, and oversight to ensure the District's financial statements are accurately prepared in accordance with the modified-cash basis of accounting. However, the District may determine that the cost of implementing internal controls related to financial statement preparation in accordance with GASB standards outweighs the benefits to be gained.