SERVICE PROPOSAL
Auditing Services

PREPARED FOR:
OGLE COUNTY

SUBMITTED BY:
Sikich LLP
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ACCOUNTING TECHNOLOGY ADVISORY
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TRANSMITTAL LETTER

February 7, 2018

Mr. Kim Gouker  
County Board Chairman  
Members of the County Board  
Ogle County  
105 S. 5th Street  
Oregon, Illinois 61061

Dear Members of the County Board,

Sikich is pleased to be considered for the reappointment as independent auditors for Ogle County. We believe that our qualifications, experience and expertise are clearly distinguishable as indicated in the following proposal. The expertise we possess in the state and local government industry is demonstrated by our clients' successes, our staff's involvement in the industry and our leadership roles in various government associations. Our clients receive the quality and timeliness only available from a firm of our caliber.

We are prepared to continue to commit the resources necessary to provide services to Ogle County. We will not only perform the audit, but we will also provide governmental accounting and financial reporting expertise and technical assistance throughout the year. We understand the scope of the work to be performed and the timing requirements and are committed to performing the specified services within that timeframe.

We appreciate the opportunity to present this proposal, which is a firm and irrevocable offer for 60 days, and look forward to the possibility of continuing to serve Ogle County.

Sincerely,

[Signature]

Brian D. LeFevre, CPA, MBA  
Partner
EXECUTIVE SUMMARY

We know what's challenging to Ogle County. Here are the strategies and solutions we recommend for you in order to face those challenges head-on and achieve success.

Thank you for considering Sikich. We appreciate the opportunity to propose for Ogle County.

Sikich is one of the country’s top 30 Certified Public Accounting firms and a top 10 value-added reseller of technology products, with more than 750 employees across 21 offices. Clients turn to us for their professional service needs due to our deep industry knowledge working with organizations of their size and for the caliber of service and attention we provide—especially when it comes to dedicated, experienced service teams and partner access.

DEFINING YOUR CURRENT CHALLENGES

We recognize this is a time of constant change and ever increasing accountability. The task of the County finance office is no longer to report financial results by long-standing standards that are widely known and commonly understood. The task in today’s environment is to keep up with the ever-changing standards from GASB and the Office of Management and Budget with the new Uniform Guidance. The task is also to keep up with new reporting and accountability requirements from the state, new automated processing systems, and fringe benefit tax laws.

DEFINING YOUR BEST POSSIBLE SOLUTIONS

These ever-changing standards and accountabilities require adjusting computer systems and internal processes to adapt to the changing standards and then to report in accordance with the new standards. This shift in the environment has caused a shift in the County thinking about an audit firm. We understand that the County requires a year-round partner, who will assist the County in keeping up to date with the standards and provide assistance, when needed, on specialty topics, as well as someone who can audit to the standards. Sikich is on the leading edge of the standards as they are being developed. We also have a strong commitment to current and effective technology as our firm has a solid core of technological abilities supported by a full technology division.

DEFINING YOUR FUTURE SUCCESS

Additional details around our audit-specific capabilities are included in the next section of this document. These capabilities, in combination with our timely completion and issuance of your reports, will not only fulfill your current needs, but will undoubtedly drive stability for Ogle County.

Throughout the following paragraphs, you will find summaries of each section within this proposal. We encourage you to review each section in its entirety to gain a detailed understanding of how we can help you build your bottom line and achieve success.

WHY OGLE COUNTY SHOULD SELECT SIKICH

Clients turn to us because our professionals are uniquely qualified to provide the service and industry expertise necessary to drive their organizational success. Specifically, Sikich offers the access to resources decades of experience and passion for action necessary to face your challenges head-on with you.

PARTNER, SUPERVISORY AND STAFF QUALIFICATIONS AND EXPERIENCE

A crucial component to Ogle County's success is working with a team completely dedicated to the government industry, ensuring that those individuals understand your challenges and what it takes to realize success. Your engagement team is made up of senior professionals who will provide the expertise, insights and responsiveness your organization requires.

SPECIFIC AUDIT APPROACH

Our approach is always holistic, forward-thinking and customized for Ogle County's specific needs. We operate in a way that provides full attention to evaluating significant areas, including those that present the greatest risk and where new opportunities for financial and operational improvement may exist.
SCOPE OF SERVICES FOR OGLE COUNTY
The scope of our work for Ogle County is outlined in the following proposal. We want to invest in what we hope will become a long-lasting relationship with the Ogle County, which is why we commit to delivering the results the Ogle County requires. The timeline of the engagement on which we are proposing is outlined in this section.

We would be honored to continue to call Ogle County our client and look forward to working with you.
TECHNICAL PROPOSAL

STATEMENT OF INDEPENDENCE
Sikich has evaluated its independence from Ogle County in accordance with generally accepted auditing standards, the Government Auditing Standards, 2011 revision, published by the U.S. Government Accountability Office, and the AICPA Code of Professional Conduct. Based upon our evaluation, Sikich is free of any personal and external impairment with respect to Ogle County, and is independent with respect to any non-attest services provided to Ogle County, both in fact and in appearance to any knowledgeable third party.

LICENSE TO PRACTICE IN ILLINOIS
Sikich is a licensed Public Accountant Limited Liability Partnership in Illinois (license #C66-003284). All of the partners assigned to the engagement are registered and licensed Certified Public Accountants (CPAs) in Illinois. In addition, all of the professional staff assigned to the engagement are full time staff and are either registered Certified Public Accountants or are completing the exam.

PARTNER, SUPERVISORY AND STAFF QUALIFICATIONS AND EXPERIENCE
Sikich commits to providing a team of senior professionals, all of whom have unmatched expertise in the government industry.

A crucial component to Ogle County’s success is working with a team that is completely dedicated to the government industry, ensuring that those individuals understand your challenges and what it takes to realize success. Ogle County will receive unparalleled levels of expertise, insights and responsiveness from a team of senior professionals who have significant experience working with government entities. Our firm offers several employee retention programs, including tuition reimbursement, CPA review and exam assistance, a computer purchase program, travel assistance and more. We have been named a Best Place to Work for several years, both on a local and national level. We make every effort to recruit and retain quality staff. However, employee turnover is inevitable. In the event of staff turnover on the Ogle County engagement, we will seek the prior written approval of Ogle County.

Ogle County’s key engagement team members will be supported by staff on the firm’s government services team. Please refer to the Exhibits section on page 21 to read biographies of Ogle County’s engagement team.

BRIAN D. LEFEVRE, CPA, MBA
ENGAGEMENT PARTNER

As engagement partner, Brian will be responsible for the overall management of the audit. This includes developing and coordinating the overall audit plan, the in-depth review of all workpapers and the review of Ogle County’s annual financial report. Moreover, our firm’s philosophy is to have the team leader on location during the completion of the majority of fieldwork. Therefore, Brian will be present at Ogle County’s offices during both our preliminary and final fieldwork.

ANTHONY M. Cervini, CPA, MBA
RESOURCE PARTNER

The resource partner is responsible for providing overall technical support for the engagement as well as serving as a backup for the engagement partner.

FREDERICK G. LANTZ, CPA
QUALITY CONTROL PARTNER

The quality control partner will provide a second partner review of the audit workpapers and Ogle County’s annual financial report.

RAYMOND E. KROUSE, JR., CPA
UNIFORM GUIDANCE RESOURCE PARTNER

The quality control partner will provide a second partner review of the audit workpapers and Ogle County’s annual financial report.
THOMAS R. KREHBIEL, CPA, CISA
INFORMATION SYSTEMS PARTNER

Tom will be responsible for coordinating and conducting the review of Ogle County's information systems. It is necessary to document our understanding of the significant controls in place in order to properly plan the nature, timing and scope of our audit procedures. Tom will also be responsible for conducting the review of our work performed in accordance with The Uniform Guidance.

JASON D. ASKIN, CPA, MBA
SENIOR AUDIT MANAGER

As the senior audit manager, Jason will be another contact for anything related to the successful audit of your organization. Jason will be responsible for leading the assurance team in the field and coordinating all assurance efforts.

SYRIL THOMAS, CPA, MBA
SENIOR AUDIT MANAGER

As the senior audit manager, Syril will be another contact for anything related to the successful audit of your organization. Syril will be responsible for leading the assurance team in the field and coordinating all assurance efforts.

NICK BAVA, CPA, MAS
AUDIT MANAGER

As the audit manager, Nick will be Ogle County’s secondary contact for anything related to the successful audit of your organization. Nick will be responsible for leading the assurance team in the field and coordinating all assurance efforts.

MARTHA TROTTER, CPA
AUDIT MANAGER

As the audit manager, Martha will be another contact for anything related to the successful audit of your organization. Martha will be responsible for leading the assurance team in the field and coordinating all assurance efforts.

ADDITIONAL PROFESSIONAL STAFF

Other professional staff assigned to the engagement will be full-time employees of the firm and have a minimum of one to three years of auditing experience. In addition, all professional staff assigned to government engagements meet and usually exceed the CPE requirements contained in the U.S. Government Accountability Office, Government Auditing Standards (2011). Moreover, our government staff possess a specific knowledge of local government accounting and reporting requirements and their application for local governments. This is achieved by attending at least 40 hours per year of a combination of external courses sponsored by the AICPA, ICPAS, GFOA and IGFOA, as well as internal courses.

This enables our firm to staff our governmental engagements with qualified professionals in the industry, providing valuable services to our governmental clients during the audit and throughout the year. We can assure you that our professional staff would not need any “on the job accounting or financial reporting training” by your staff. Moreover, we can assure Ogle County the quality of staffing for a multi-year engagement, even if a change in personnel is required, subject to your approval.
SPECIFIC AUDIT APPROACH

From identifying expectations to executing a plan to preparing for next year, our approach is holistic and always forward-thinking.

For Ogle County, our approach satisfies a number of requirements, including high-quality service, access to senior resources and specialization in the government industry. We strongly believe Sikich is the firm that can offer you all of these and more.

We will tailor this engagement to Ogle County’s specific needs—always with a view toward identifying new opportunities for financial and operational improvement. Procedures are designed to give full attention to evaluating significant areas, including those that present the greatest risk. Sikich’s holistic approach will address critical compliance and risk management needs.

Before embarking on this engagement, we will make certain to have a clear understanding of your mission and strategic direction. We do this by identifying and addressing risks and helping you ensure financial strength. We strongly believe there is no such thing as too much communication, not only during the engagement, but also throughout the year.

AUDIT STANDARDS

The objective of our audit is to issue an unmodified opinion on Ogle County’s governmental activities, each major fund and the aggregate remaining fund information that collectively comprise Ogle County’s basic financial statements. The audit will be conducted in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, and, if necessary, generally accepted government auditing standards issued by the United States Government Accountability Office (GAO, 2011), the Single Audit Act of 1996 and the Uniform Guidance. Our firm will issue an opinion on the basic financial statements and will subject the combining and individual fund financial statements and schedules and any other supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole.

In addition, we will apply certain limited procedures to the Required Supplementary Information. These limited procedures will consist 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 will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Wherever possible, we will utilize your schedules to maximize efficiencies and contain audit costs. We request that Ogle County provide us with the basic information required for our audit.
Sikich’s audit approach includes, but is not limited to, the following procedures:

- Audit plan development
- Determination of materiality
- Audit risk evaluation
- Interviews with management to provide information for detailed documentation of the internal control structure
- Interviews and analysis of audit evidence to identify and assess risks that may result in material misstatement due to fraud
- Measurement of accounting presentation and compliance reporting by identifying and focusing on areas sensitive to organizations like Ogle County
- Performance of testing to evaluate your organization’s internal control structure
- Confirmation of various accounts, performance of substantive testing and analytical procedures
- Performance of additional testing, as necessary

PRACTICAL AND CONSTRUCTIVE MANAGEMENT LETTER COMMENTS

We believe the management letter is an important part of the engagement, and we encourage all members of our engagement team to give thoughtful consideration toward developing constructive comments within the constraints of the overall engagement. Our policies regarding management letters adhere to the Professional Standards of the AICPA. If significant deficiencies and material weaknesses in internal controls are noted during the audit, they are required to be communicated in writing to those charged with governance. Items of an immaterial nature (i.e., clerical problems, minor procedures or reporting problems, etc.) are communicated to management. In both cases, we adhere to a strict firm policy that all comments and recommendations are discussed in preliminary form with appropriate personnel prior to their communication. This allows for clarification of misunderstandings, miscommunication or compensating controls or factors which may be in place.

QUALITY CONTROL

At Sikich, we are committed to providing the highest quality audits in the industry. Ogle County can be assured of receiving the highest level of quality and ethical professional services. Quality control is so important to us that our firm has been a member of the Private Companies Practice Section of the Division for CPA Firms of the AICPA since our formation in 1982. As such, we have voluntarily submitted our audit and accounting practice to quality control reviews of our compliance with professional standards as established by the AICPA and, more recently, by the United States Government Accountability Office, for more than 30 years. In 2014, we received our ninth consecutive peer review unmodified (“pass”) report. This is the highest level of recognition conferred upon a public accounting firm for its quality control systems. Also, we go beyond the external reviews and maintain strong internal reviews of procedures and processes with oversight by our Quality Assurance Committee and our Partner-in-Charge of Quality Assurance. Please refer to the Exhibits section for a copy of our most recent peer review which included a review of specific government engagements since this accounts for a significant segment of our practice.

In addition, our state and local government reports have been reviewed by numerous federal and state oversight bodies and professional organizations. These reports have been judged to meet and, in most instances, exceed industry standards and requirements. Sikich has not been the subject of any disciplinary action or inquiry during the past five years. Sikich is a member of the AICPA’s Governmental Audit Quality Center (GAQC), which is a firm-based voluntary membership center designed to promote the importance of quality governmental audits and the value of these audits to purchasers of government audit services. As a member of the GAQC, Sikich has access to key information and comprehensive resources that we use to help ensure our compliance with appropriate professional standards and laws and regulations that affect our audits. Through our membership in the GAQC, we also adhere to membership requirements designed to enhance the quality of our audit practice.
WHY OGLE COUNTY SHOULD SELECT SIKICH

Our team works devotedly with governmental entities just like yours, has the resources required to perform this engagement and is technically experienced and insightful.

As previously mentioned, clients turn to us because our professionals are uniquely qualified to provide the service and industry expertise necessary to drive their organizational success. Your challenges are our challenges, and chances are, we have successfully faced them many times before. Aside from this, here are a number of reasons how Ogle County can benefit from a relationship with Sikich.

ACCESS

With Sikich, you get access to a multitude of resources that will help your organization grow today and in the future.

ACCESS TO SENIOR RESOURCES

You will gain confidence in your operations by working with a team of articulate professionals who have received the highest recognitions in their fields. To demonstrate the importance of our relationship, we pledge to provide you with unparalleled involvement from our most senior resources. Our partners are on-site during audit fieldwork and are available year-round for direct consultation as issues occur.

ACCESS TO EDUCATION

Ogle County will remain abreast of regulatory changes and best organizational practices as Sikich’s team receives ongoing continuing education they will directly apply to Ogle County’s engagement. We accomplish this by anticipating your needs based on our experience with you and your industry, and using a variety of communication channels: timely responses to your questions; informal discussions; mailings on topics of interest to you; and relevant seminars, all of which are complimentary for our clients. Past topics of thought leadership have included:

- Governmental Accounting and Financial Reporting Update
- Implementing GASB Statement No. 67, Financial Reporting for Pension Plans
- Implementing GASB Statement No. 54, Fund Balance Reporting and Government Fund Type Definitions
- Government Financial Resiliency
- Public Sector Strategic Planning
- Performance Measurement
- Payroll Reporting for Government Entities
- Employee Handbook Workshop
- Keeping the Keepers: A Guide to Employee Retention
- Identity Dos & Don’ts: Agency Branding
- Video: Web Applications
- Virtualization
- Fraud Detection and Prevention
- Technology Threats
- Not-for-profit Governance Policies and Procedures
- Unrelated Business Income Tax
- Navigating the New Form 990
- The New 990, What Every Board Member Should Know
ACCESS TO VALUE
Your organization will receive extraordinary value for Sikich’s fee because we are dedicated to a customer-centric approach that includes open communication, respect and clear results. As a leader, the overall success of your organization should be the core of your focus. We’re here to be your trusted advisor for those functions you can’t focus on every moment, as well as for issues affecting the government industry, including new accounting pronouncements and employee benefit regulations. We understand that each client has its own unique set of needs, business practices and operating environment. Our services are tailored to the specific needs of your organization.

EXPERIENCE
Helping clients achieve long-term success is what we do. Our professionals will bring to your engagement the deep industry and service-level experience they have accumulated throughout the years.

EXPERIENCE IN YOUR INDUSTRY
Sikich’s state and local government team provides services to more than 450 counties, cities, villages, towns and other local governments. Many of these have been long-standing clients and are evidence of our dedication to the state and local government industry and our ability to provide high quality, timely services within this specialized industry. These clients and related work have enabled our firm to develop an extensive nationally recognized expertise in governmental accounting, auditing and financial reporting procedures and practices.

Senior members of our government services team presently hold memberships and are actively involved in numerous governmental organizations, including:

- AICPA Government Audit Quality Center
- American Institute of Certified Public Accountants (AICPA)
- Central Association of College and University Business Officers (CACUBO)
- GFOA Special Review Committee (SRC)
- Government Finance Officers Association of Missouri (GFOA-MO)
- Government Finance Officers Association of the United States and Canada (GFOA)
- ICPAS Governmental Report Review Committees
- ICPAS Special Review Committee
- Illinois Association of County Board Members and Commissioners (IACBMC)
- Illinois Association of Fire Protection Districts (IAFPD)
- Illinois Association of Park Districts (IAPD)
- Illinois Association of School Business Officials (IASBO)
- Illinois City/County Management Association (ILCMA)
- Illinois County Treasurers’ Association (ICTA)
- Illinois CPA Society (ICPAS)
- Illinois Government Finance Officers Association (GFOA)
- Illinois Library Association (ILA)
- Illinois Municipal Treasurers Association (IMTA)
- Illinois Parks and Recreation Association (IPRA)
- Illinois Tax Increment Association (ITIA)
- International City/County Manager’s Association (ICMA)
- National Association of College and University Business Officers (NACUBO)
EXPERIENCE IN WHAT WE DO

Your Sikich engagement team is comprised of senior CPAs who have been working in the field for years. Providing high-quality audit services is second nature to each of them, which is proven through our impressive track record of helping clients succeed. This team will provide Ogle County with timely completion of professional services. Moreover, members of the Sikich government services team have served as expert speakers to organizations, state GFOAs and others for formal presentations at local meetings and annual conferences on a variety of governmental accounting, auditing and financial reporting topics. We have also developed governmental accounting, auditing and financial reporting training courses for various organizations with members of our firm serving as lead instructors for the courses.

EXPERIENCE IN GOVERNMENT OPERATIONS

Because of our large, diverse client base and our ability to attract talent from a variety of professional backgrounds, Sikich has an established reputation as one of the leading providers of professional services in the Midwest to governmental entities. Our team of professionals specializes in the management, operations and financing of general purpose state and local governments, park districts, intergovernmental organizations, municipal utilities and special districts. This focus and our exemplary reputation assure Ogle County the highest quality work and the most cost-effective delivery of services.

INITIATIVE

One of our strengths at Sikich is our need to be proactive. We find potential issues before you have to worry about them, because we’re ready with a solution.

INITIATIVE FOR CUSTOMIZED SOLUTIONS

One-on-one, you will receive customized solutions based on your unique needs, and only your unique needs. You will find that achieving financial stability and growth, as well as uncovering new opportunities to improve performance, is possible through the strategies that Sikich experts will recommend and on which they will educate you.

After a more thorough review of your operations and audit-specific matters, we may uncover other opportunities. As part of our ongoing service and commitment to Ogle County, we keep you abreast of regulatory changes and best business practices to ensure we identify crucial opportunities that will benefit Ogle County.

INITIATIVE FOR YOUR SATISFACTION

Ogle County’s success is built upon the quality services and value you feel you receive from Sikich, which is why we will continually gauge your satisfaction to enhance our relationship. At various checkpoints during the engagement, a Sikich representative will meet with you to discuss how satisfied you have been with our services, our team and the value we provide. Areas stressed during these meetings will include:

- What can we do to make our services more valuable to you?
- What specific part of our service exceeded your expectations?
- In which areas do you feel we need improvement?
- Do you feel like a valued client of the firm?
- What is your vision for Ogle County?
SCOPE OF SERVICES FOR OGLE COUNTY
We will exceed your expectations by conducting and delivering on a high-quality engagement within your required timeline—all for a reasonable fee.

We are proposing to provide the following services to Ogle County:

- Audit of basic financial statements of Ogle County for the fiscal year ending November 30, 2018, 2019 and 2020.
- Preparation of forty (40) bound copies and an electronic copy (.pdf) of the annual financial report (MD&A to be provided by County);
- Preparation of forty (40) bound copies and an electronic copy (.pdf) of the management letter for Ogle County, communicating any material weaknesses and significant deficiencies found during the audit and our recommendations for improvement;
- Preparation of five (5) copies of the Annual Financial Report (AFR) filed with the County Clerk and State Comptroller (one electronic and four bound copies);
- Preparation of forty (40) bound copies and an electronic copy (.pdf) of the Single Audit Report, if applicable;
- Preparation of Data Collection Form to be submitted to the Federal Audit Clearinghouse, if applicable
- Retain workpapers for seven (7) years in accordance with firm standards;
- Reporting to the Members of the County Board in accordance with Statement on Auditing Standards (SAS) No. 114, Communications with Those Charged with Governance; and
- Exit conference(s) with Ogle County Officials to present the completed audit and related materials.
## CLIENT SERVICE TIMELINE

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| **I. Preliminary Planning**  
During this phase of the audit, we would meet with representatives of Ogle County to discuss the approach we would take during the audit, focusing on areas of particular concern to Ogle County as well as areas of high audit risk, and develop the time schedule for completing the subsequent phases of the audit.  
The meeting would be attended by the engagement partner and engagement manager. | | |
| **II. Preliminary Fieldwork**  
During this phase of the audit, we would develop an understanding and documentation of Ogle County's accounting and administrative controls using its accounting procedures manual, EDP documentation and by interviewing staff. In addition, we may perform compliance testing of those controls to determine which controls, if any, that we could rely on during later phases of the audit. Sample sizes would be determined during this phase, but generally would be between 25 and 60. Moreover, we would develop our planning materiality on an individual fund basis and complete a preliminary analytical review of Ogle County's financial position as a whole.  
In addition, we would review all minutes from the meetings of the County Board; review all ordinances adopted by Ogle County during the year; review any debt agreements entered into during the year and analyze any other unique transactions entered into by Ogle County; and perform our fraud interviews in accordance with Statement on Auditing Standards (SAS) No. 99. Upon completion of this phase, we would finalize all necessary confirmations Ogle County will prepare; review all proposed client assisted work papers and the timing of preparation by Ogle County; develop our audit programs for the next phase of the audit and review and document any changes to Ogle County's AFR; and prepare the schedule for the remainder of the audit.  
This phase would be completed by the engagement partner, engagement manager and one professional staff. | | |
| **III. Fieldwork**  
During this phase of the audit, we would complete all of our substantive testing of the account balances and prepare the draft of Ogle County's financial statements with a rough draft of the financial statements provided to Ogle County at the conclusion of field work. We would also prepare the draft of the management report. In addition, an exit conference would be held with officials from Ogle County to discuss the preliminary results of the fieldwork, review any proposed audit adjustments, final adjusted trial balances that agree to the financial statements and any significant findings. | | |
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<td>VII. Support to Ogle County</td>
<td>This phase would be completed by the engagement partner.</td>
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<td>In future years, we would develop a similar plan and timeframe with the assistance of Ogle County to ensure the timely identification and resolution of any critical accounting and auditing issues prior to the issuance of our opinion and the annual financial report. These completion dates are well within the deadlines established by Ogle County. We have a proven track record of meeting and exceeding deadlines established by our clients.</td>
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IDENTIFICATION OF POTENTIAL AUDIT PROBLEMS

Our firm's approach to resolving any problems that arise during the audit is the same as our overall approach to the audit—professionalism. Professionalism in performing the audit is the cornerstone to our philosophy during all phases of the audit. Any problems encountered during the audit, except for irregularities and illegal acts, will be discussed and documented with County Board Chairman. The timing of this discussion will provide Ogle County with ample time to rectify any situations that may otherwise result in the issuance of a qualified audit opinion. Irregularities and illegal acts detected or of which we become aware of will be communicated in writing to County Board Chairman or the appropriate level as defined in our professional standards.

Our firm's philosophy on additional fees and/or billings is based on an understanding between the firm and the client of the scope of the work to be performed. We have proposed a "not-to-exceed fee" for the audit, the scope and timing of which was specified by Ogle County. The billings for the audit would not exceed this fee unless Ogle County specifically requests that the scope of the engagement be expanded and Ogle County and the firm reach a mutual agreement, in writing, as to the expanded scope of the engagement and the fee, if any, for the expanded scope.

Sikich will comply with all relevant rules and regulations of authoritative bodies and the AICPA Code of Professional Conduct regarding access to our working papers and audit documentation. Reasonable requests for access will not be denied.
ADDITIONAL RESOURCES AND SERVICES
With more than a dozen services, our areas of expertise are oftentimes complementary of one another. How else can we help you meet your government’s goals?

Many times, the challenges for which you enlist Sikich’s help may be faced more effectively by integrating several of our services. Based on our initial conversations with you, we believe that Ogle County could benefit from the following services. Take a look at what we offer, and talk to your engagement partner about how these services may complement what you are already seeking.

DISPUTE ADVISORY
Disputes of any kind or size can be difficult to handle on your own. For example, what would happen if you began suspecting employee fraud within your organization? A dispute advisory expert can handle every aspect, from insurance claim preparation and being the liaison with law authorities, to creating a fraud prevention program and improving your organization’s internal controls.

HUMAN RESOURCES
Your people are a large part of what makes up your organization. Recruiting, training and retaining employees are vital parts of ensuring your organization continues to provide only the best for your constituency. With services such as recruiting and onboarding, compensation and compliance, employee benefits and more, you can better understand what will keep your employees happy and productive.

MARKETING
The effectiveness of your marketing efforts can make or break your organization’s success. From eye-catching logos to print and digital collateral, every piece must work for an intended audience. By delivering the right stories and amplifying those messages, you will properly position your organization in the marketplace.

PERFORMANCE-BASED STRATEGIC PLANNING
In an environment where there is increasing pressure for governments to be more efficient, effective and transparent, strategic planning allows an organization to engage stakeholders, focus on its mission, and logically establish short and long-term goals. Our approach, performance-based strategic planning, guides the organization toward its most productive activities and focuses on an institutionalized process. The strategic planning process is a true transition, where Sikich facilitates governments in:
- Developing ideals about what they aspire to
- Transforming ideals into ideas to meet goals
- Converting ideas into specific, actionable items
- Constructing performance measures

We ensure the results of strategic planning meet client expectations by filtering goals, objectives and/or strategies with the organization’s internal capacity and available resources. The process of performance-based strategic planning has proven to assist governments in fulfilling the ideals of their community and accomplishing goals through measurable, reportable actions.

PROCESS IMPROVEMENT
Processes truly define organizations, but are often forgotten when seeking root causes to problems or managing more efficient and effective services. Improvements to existing processes—ranging from development review to utility billing—have the potential to decrease cycle time, increase quality and result in higher customer satisfaction. Sikich employs a customer-centric approach to process improvement by involving internal and external customers to understand and make meaningful improvements while continuing to meet their needs.

PUBLIC RELATIONS
Achieve a higher media profile, greater mindshare among your constituents and proper positioning in the marketplace with a thoughtful, research-based and integrated approach to public relations. From overall positioning to media relations, conveying the right stories to the right people is critical in an effective public relations program.
TECHNOLOGY: ERP & CRM SOLUTIONS
Your organization can better stay on track with the right enterprise resource planning (ERP) or customer relationship management (CRM) solution. Whether you are at the start of your search for a new solution or need a new partner to fix a failed implementation, you will have the freedom to explore a variety of products to identify the technology investment that will best capitalize on your potential.

TECHNOLOGY: IT SERVICES
Staying ahead of, or even simply keeping up with, continually changing and complex technology developments can be challenging. Organizational management software, cloud solutions, strategic information technology and IT consulting can all drive your organization toward increased productivity—if implemented the right way.

TECHNOLOGY: SECURITY AND COMPLIANCE
Keeping your organization safe from data breaches and other information security concerns is critical, especially given the vast number of organizations that have been compromised in the last couple of years. Understand where the vulnerabilities in your network lie by obtaining independent, unbiased and technically qualified security assessments—from penetration testing to forensic analyses.
FEE PROPOSAL

PROPOSAL COST SUMMARY

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<th>2018</th>
<th>2019</th>
<th>2020</th>
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<tbody>
<tr>
<td>County Audit*</td>
<td>$49,300</td>
<td>$50,779</td>
<td>$52,302</td>
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<tr>
<td>Circuit Clerk Audit</td>
<td>4,660</td>
<td>4,800</td>
<td>4,944</td>
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<tr>
<td><strong>Total</strong></td>
<td>$53,960</td>
<td>$55,579</td>
<td>$57,246</td>
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*Audit of the financial statements, single audit (if applicable), management letter, and Comptroller’s Annual Report.

There will also be a one-time fee of $1,000 for the implementation of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions for the year ending November 30, 2018.

These fees assume that Ogle County will provide the auditors with electronic copies of adjusted trial balances by individual funds, a year-to-date general ledger with details of postings to all accounts, subsidiary ledgers that agree or are reconciled to the general ledger, and will prepare certain schedules of account analysis and confirmations of account balances.

We invoice our clients on a monthly basis as services are provided. Payments for all services are due within 60 days of receipt of an invoice. Invoices not paid within 60 days are assessed a finance charge of 1 percent per month (12 percent annually).

R-2018-0201 was presented at the Ogle County Board Meeting on February 20, 2018.

Kim P. Gouker, Ogle County Board Chairman
Laura J. Cook, Ogle County Clerk
EXHIBITS
We know you likely have many more questions for us. Take a look at the attached documents for additional information about our firm and those who will work with you.

ENGAGEMENT TEAM BIOGRAPHIES
- Brian D. LeFevre, CPA, MBA
- Anthony M. Cervini, CPA, MBA
- Frederick G. Lantz, CPA
- Raymond E. Krouse, Jr., CPA
- Thomas R. Krehbiel, CPA CISA
- Jason D. Askin, CPA, MBA
- Syril Thomas, CPA, MBA
- Nick Bava, CPA, MAS
- Martha Trotter, CPA

SIKICH RESOURCES

STATE & LOCAL GOVERNMENT SERVICES

FIRM PROFILE

PEER REVIEW
BRIAN D. LEFEVRE
CPA, MBA

Partner

Brian D. LeFevre, CPA, MBA, is responsible for providing technical services to Sikich's governmental clients in all areas of governmental accounting, auditing, financial reporting, budget development, revenue and expenditure forecasting, and cash and debt management. Brian has participated in hundreds of audits of municipalities and other governmental units since he began his career with Sikich in 1993. He has also been responsible for developing and serving as lead instructor for governmental accounting, auditing and financial reporting training courses internally for the Firm and for the Illinois Government Finance Officers Association (IGFOA). Brian previously served as Chair of the Governmental Report Review Committee of the Illinois CPA Society.

SERVICE AREAS
- Governmental Audit, Accounting
- Governmental Financial Reporting
- Police and Fire Pension Accounting Services

AFFILIATIONS
- American Institute of Certified Public Accountants
- Illinois CPA Society, Governmental Report Review Committee
- Illinois Government Finance Officers Association
- GFOA Special Review Committee
- Illinois Association of Fire Protection Districts
- Illinois Public Pension Fund Association
- Aurora Downtown Kiwanis Club, Former Treasurer and Board Member
- Greater Aurora Chamber of Commerce Leadership Academy, Class of 1996
- Batavia High School Boosters, Treasurer

EDUCATION
- Bachelor's Degree in Accounting, Valparaiso University
- Master of Business Administration, Northern Illinois University

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ANTHONY M. CERVINI
CPA, CFE

Partner

Anthony M. Cervini, CPA, CFE, is responsible for providing technical services to Sikich's governmental clients in all areas of governmental accounting, auditing, financial reporting, budget development, internal controls, revenue and expenditure forecasting, and cash and debt management.

Anthony has participated in hundreds of audits of municipalities and other governmental entities since beginning his career with Sikich in 2005. He also has been responsible for serving as lead instructor for governmental accounting, auditing, financial reporting, cash management and internal control courses internally and for the Illinois Government Finance Officers Association (IGFOA), Wisconsin Government Finance Officers Association (WGFOA) and Illinois CPA Society.

Anthony serves on the GFOA Special Review Committee and the Illinois CPA Society Government Report Review Committee, is a contributor to the IGFOA Legislative Committee and has served as a budget reviewer for the Government Finance Officers Association Distinguished Budget Presentation Award.

SERVICE AREAS
- Governmental Audit, Accounting
- Governmental Financial Reporting

AFFILIATIONS
- American Institute of Certified Public Accountants
- Illinois CPA Society
  Government Report Review Committee – Sub-Chair (GAAP Basis Committee)
- Illinois Government Finance Officers Association
  Young Professionals Network – Steering Committee
- Wisconsin Government Finance Officers Association
- GFOA Special Review Committee
- Naperville Area Humane Society, Treasurer
- PrimeGlobal Managers' Leadership Program, Cohort 2 (2015-2016)
- Greater Aurora Chamber of Commerce Leadership Academy, Class of 2007
- Greater Aurora Chamber of Commerce Leadership Academy, 2008 Steering Committee

EDUCATION
- Bachelor's Degree in Accounting, The University of Iowa
- Master of Business Administration, Benedictine University
FREDERICK G. LANTZ
CPA
Partner-in-Charge, Government Services

Frederick G. Lantz, CPA, is responsible for providing technical services to Sikich's clients in all areas of governmental accounting, auditing, financial reporting, budget development, revenue and expenditure forecasting, and cash and debt management. Prior to joining Sikich, Fred was the assistant director for the Technical Services Center of the Government Finance Officers Association of the United States and Canada (GFOA), where he was a nationally recognized expert in the state and local government industry. At GFOA, Fred was responsible for managing the Certificate of Achievement for Excellence in Financial Reporting Program, providing accounting, auditing and financial reporting assistance to state and local government officials and their auditors, and serving as a liaison to the Governmental Accounting Standards Board. Fred also developed courses and served as lead instructor for governmental accounting, auditing and financial reporting training courses. He is a nationally recognized speaker, having spoken at state GFOA and CPA Society meetings and conferences.

SERVICE AREAS
- Governmental Audit, Accounting
- Governmental Financial Reporting

AFFILIATIONS
- American Institute of Certified Public Accountants
- Illinois CPA Society
- Government Finance Officers Association, Special Review Committee
- GASB Pension Task Force
- Illinois Government Finance Officers Association
  2004-2006 Executive Board of Directors, Technical Accounting Review Committee
- Wisconsin Government Finance Officers Association
- National Association of College and University Business Officers
- Central Association of College and University Business Officers
- Illinois County Treasurers' Association
- Illinois Tax Increment Association
- Illinois Municipal Treasurers Association
- Illinois City/County Management Association
- International City/County Manager's Association

EDUCATION
- Bachelor's Degree in Accounting, Northern Illinois University
- Graduate of Advanced Government Finance Institute, University of Wisconsin at Madison
RAYMOND E. KROUSE, JR.
CPA

Partner, Not-for-Profit and Higher Education Practices

Raymond E. Krouse, Jr., CPA, is a partner on Sikich's not-for-profit and higher education practices team. Ray has more than 23 years of public accounting experience. He has extensive experience in providing audit and consulting services to a wide variety of not-for-profit clients, including colleges and universities, voluntary health and welfare organizations, fraternal and other member organizations and private foundations.

SERVICE AREAS
- Not-for-Profit Audit, Accounting

AFFILIATIONS
- American Institute of Certified Public Accountants
- Illinois CPA Society
- National Association of College and University Business Officers
- Central Association of College and University Business Officers
- Naperville Area Chamber of Commerce, Board Member
- Friends of Child Advocacy, Volunteer Treasurer

EDUCATION
- Bachelor's Degree in Accounting, Clarion University of Pennsylvania

LOCATION:
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THOMAS R. KREHBIEL  
CPA, CISA

Partner-in-Charge, CPA Services, Firm-wide

Thomas R. Krehbiel, CPA, CISA, is partner-in-charge of CPA services firm-wide and serves on the firm’s Executive Management Committee. Tom has more than 30 years of experience serving the firm’s clients. He specializes in information systems controls reviews, SOC 1, SOC 2 and SOC 3 engagements.

In addition, Tom has extensive experience in providing audit and consulting services to a wide variety of not-for-profit clients including associations, religious organizations and voluntary health and welfare organizations. He has also conducted many audits of federal award programs under Uniform Guidance.

SERVICE AREAS
- Assurance and Advisory Services
- Not-for-Profit Audit, Accounting
- Information Technology Risk Management Services

AFFILIATIONS
- American Institute of Certified Public Accountants
- Illinois CPA Society
- Information Systems Audit and Control Association

EDUCATION
- Bachelor’s Degree in Accounting, Financial and Business Information Systems Sequences, Illinois State University

LOCATION:
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3201 W. White Oaks Dr.
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tom.krehbiel@sikich.com
JASON D. ASKIN
CPA, MBA

Audit Manager

Jason Askim, CPA, MBA has more than 11 years of public accounting experience providing audit and accounting services for a variety of municipalities, park districts and other governmental entities. Jason currently services government audit clients in both Illinois and Wisconsin and is responsible for audit engagement planning, communication of audit matters with funding sources and governing boards, as well as report preparation and supervision of audit fieldwork teams. Jason provides clients with sound business advice to improve processes and procedures and assists clients in areas such as:

- Financial audits, reviews and compilations
- Financial statement preparation
- Internal control review and analysis
- Recommendations to improve processes and procedures
- Single audit and grant compliance

SERVICE AREAS
- Governmental Audit, Accounting
- Governmental Financial Reporting
- Single Audits in Accordance with Uniform Guidance

AFFILIATIONS
- American Institute of Certified Public Accountants
- Illinois CPA Society

EDUCATION
- Bachelor's Degree in Accounting, Northern Illinois University
- Master of Business Administration – Finance, North Central College

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SYRIL THOMAS
CPA
Senior Manager

Syril Thomas, CPA, is a senior manager at Sikich with more than 10 years of experience providing audit and accounting services for a variety of municipalities, park districts, Illinois State Agencies and other governmental entities.

Syril concentrates on all areas of accounting, auditing, financial reporting, budget development, revenue and expenditure forecasting, cash and debt management, as well as agreed-upon procedures.

He is a certified public accountant (CPA).

SERVICE AREAS
- Governmental Audit, Accounting
- Governmental Financial Reporting

AFFILIATIONS
- American Institute of Certified Public Accountants (AICPA)
- Illinois Government Finance Officers Association

EDUCATION
- Bachelor's Degree in Accounting, Northern Illinois University
- Master of Business Administration, Northern Illinois University

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NICK BAVA
CPA, MAS

Audit Manager

Nick Bava, CPA, MAS, is an audit manager at Sikich, where he provides assurance and advisory services to a variety of governmental entities, with a focus on cities, villages and park districts. He also works with not-for-profit entities, including colleges and social services organizations. Acting as the liaison between the client and engagement team, Nick conducts audit engagements, prepares and reviews financial statements, and assesses clients’ business processes and internal control structures.

SERVICE AREAS
- Governmental Audit, Accounting
- Governmental Financial Reporting
- Not-for-Profit Audit, Accounting

AFFILIATIONS
- Illinois Government Finance Officers Association

EDUCATION
- Bachelor’s Degree in Accounting, Illinois State University
- Master of Accounting Sciences, Northern Illinois University

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MARTHA TROTTER
CPA
Audit Manager

Martha Trotter, CPA, is an audit manager at Sikich. She has been working in the public accounting industry since 2012 providing audit services for a variety of governmental entities. Martha is responsible for performing key audit procedures and internal control evaluations, report preparation and supervision of audit fieldwork teams. She also has experience working on various special projects providing accounting services for municipalities.

SERVICE AREAS
- Governmental Audit and Accounting
- Governmental Financial Reporting

AFFILIATIONS
- Illinois Government Finance Officers Association
- Illinois CPA Society

EDUCATION
- Bachelor of Science in Accountancy, University of Illinois

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Government agencies are experiencing increasing pressure to be more effective, efficient and transparent.

As a government leader, you know how important it is to find a premier professional services partner that can strategize, plan and implement solutions to meet the goals of your organization.

**WHAT CAN SIKICH DO?**

- Accounting, Audit, Assurance & Tax
- Business Valuation
- Fraud Services for Governments
- ERP & CRM Software
- Human Resources Consulting
- Insurance Services
- IT Services
- Marketing & Public Relations
- Pension Fund Accounting & Consulting Services
- Retirement Planning

Whether you represent a general purpose local government or special district, Sikich will help you meet your goals by providing professional guidance in your accounting, marketing, human resources, technology and other advisory functions.

Experience unparalleled commitment and high-quality, timely services when you partner with the experts at Sikich. For more than 30 years, we have provided:

- A highly skilled staff and management team entirely dedicated to government services
- An in-depth understanding of the governmental fiscal, management, operating and regulatory environments
- Timely and cost-effective service delivery

**OUR DEDICATED TEAM**

- **DAN BERG CPA**
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  - E: dan.berg@sikich.com

- **ANTHONY CERVINI CPA**
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- **BRIAN LEFEVRE CPA**
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- **CHAD LUCAS CPA**
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- **JIM SAVIO CPA**
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- **ANDY LASCODY CPA**
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**OUR EXPERT**

- **FRED LANTZ CPA**
  - Partner-In-Charge, Government Services
  - T: 630.566.8555
  - E: fred.lantz@sikich.com

**WHO WE SERVE**

Our government clients represent a wide range of industry sectors including:

- Counties
- Cities
- Villages
- Townships
- Other Special Districts
- Pension Plans
- Park Districts
- Forest Preserve Districts
- Public Libraries
- Community Colleges
- School Districts
- Water Authorities
- Water Reclamation Districts
- State Departments and Agencies

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ORGANIZATION

Sikich LLP, a leading professional services firm specializing in accounting, technology, investment banking and advisory services, has 750+ professionals throughout the country. Founded in 1982, Sikich now ranks as one of the country's Top 30 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
- Energy
- Manufacturing & Distribution
- Construction & Real Estate
- Government
- Not-for Profit

STATISTICS

2016 Revenues ..................................... $146.4M
Total Partners .................................. 100+
Total Personnel .................................. 798
Personnel count as of October 1, 2017

SERVICES

ACCOUNTING, TAX & ASSURANCE

- Business Application
- Cloud & Infrastructure
- Consulting & Implementation
- Security and Compliance

TECHNOLOGY

- Business Succession Planning
- Insurance Services
- Forensic and Valuation Services
- Human Resources Consulting
- Investment Banking
- Marketing & Design
- Public Relations
- Retirement Plan Services
- Supply Chain
- Wealth Management

2018 Milwaukee's Best and Brightest Companies to Work For

2017 AWARDS

- Bob Scott's Top 100 Value Added Reseller Stars (VARs) - ranked #7
- Accounting Today Top 100 VARs - ranked #6
- Vault Accounting Top Ranked
- Accounting Today Top 100 Firms - ranked #27 nationally
- When Work Works Award
- World at Work Work-Life Seal of Distinction
- Microsoft Dynamics Inner Circle and President's Club
- Milwaukee's Top 100 Best and Brightest Companies to Work For

2016 AWARDS

- Accounting Today Top Regional Leaders and Firms: Great Lakes - ranked #4
- Milwaukee Business Journal Largest Management Consulting Firms - ranked #10
- Milwaukee Business Journal Largest Milwaukee Area Accounting Firms - ranked #8
- Inc. 5000 - ranked #4613

2015 AWARDS

- National Best and Brightest Companies to Work For®
- INSIDE Public Accounting Top 50 Largest Accounting Firms - ranked #31 nationally
- Milwaukee's 101 Best and Brightest Companies to Work For®
- WICPA Excellence Award - Public Service Award
- Accounting Today Top 100 VARs - ranked #7
- Bob Scott's Top 100 VARs - ranked #7

- 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
- Milwaukee's Top 100 Best and Brightest Companies to Work For®
- Milwaukee's Top Workplaces

- Boston's 101 Best and Brightest Companies to Work For®
- US Small and Mid-Sized Business (SMB) Champions Club Heartland Partner of the Year, Microsoft's US SMB Champions Club
- Milwaukee Journal Sentinel Top Workplaces In Milwaukee
- Chicago Tribune's Top Workplaces

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System Review Report

July 17, 2014

To the Partners of
Sikich LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Sikich LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended March 31, 2014. 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 part of our peer review, we considered reviews by regulatory agencies, 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, audits of employee benefit plans, and an examination of a service organization (Service Organizations Control [SOC] 1 engagement).

In our opinion, the system of quality control for the accounting and auditing practice of Sikich LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended March 31, 2014, 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. Sikich LLP has received a peer review rating of pass.

Heinold Banwart, Ltd
February 15, 2018

Mr. John Coffman
Treasurer
Ogle County
Oregon, Illinois

We are pleased to confirm our understanding of the services we are to provide for Ogle County for the fiscal years ending November 30, 2018 through November 30, 2021. It is our understanding that Lauterbach & Amen, LLP will prepare the GASB 74/75 Actuarial Valuations for the County.

You agree to assume all management responsibilities for the actuarial services we provide; you will oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; you will evaluate the adequacy and results of the services; and you will accept responsibility for them.

Lauterbach and Amen, LLP does not assume any management responsibilities for the County. These services cannot be relied upon to detect errors, irregularities, or illegal acts that may exist. However, we will inform you of any such matters that may come to our attention.

Fees for our services are as follows:

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<tr>
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</thead>
<tbody>
<tr>
<td>Implementation and Preparation of GASB 74/75 Actuarial Valuation*</td>
<td>$3,650</td>
<td>$850</td>
<td>$3,750</td>
<td>$860</td>
</tr>
<tr>
<td>Preparation of Audit Friendly Exhibits</td>
<td>Included</td>
<td>Included</td>
<td>Included</td>
<td>Included</td>
</tr>
<tr>
<td>Attendance at Meeting to Present Results</td>
<td>Included</td>
<td>Included</td>
<td>Included</td>
<td>Included</td>
</tr>
<tr>
<td><strong>Total Annual Actuarial Services</strong></td>
<td><strong>$3,650</strong></td>
<td><strong>$850</strong></td>
<td><strong>$3,750</strong></td>
<td><strong>$860</strong></td>
</tr>
</tbody>
</table>

*The above fee table assumes implementation of the new GASB 74/75 requirements for the County’s fiscal year ending November 30, 2018. After GASB 74/75 implementation year, all OPEB reporting will follow a biennial reporting cycle and for all fiscal year ends where a full-valuation is not required, we will prepare financial statement entries based on a limited actuary’s report. The limited actuary’s report will not require updating of participant or medical information, but will be run at the most recently available discount rate required by the new GASB 74/75 standards. If, for any reason, the County or auditors require a full-valuation vs. the limited actuary’s report, updating of all participant and medical information will be required and a full-valuation fee will be charged.
We appreciate the opportunity to be of service to Ogle County and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign below and return it to us.

Cordially,

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

RESPONSE:

This letter correctly sets forth the understanding of Ogle County:

Accepted by: [Signature]

Title: Ogle County Board Chairman
RESOLUTION 2018-0203

In order to conduct business in a timely fashion it from time to time becomes necessary to transfer money for such purposes.

Therefore be it resolved that the County Treasurer is directed to loan up to $3 million as needed during FY2018 from the Solid Waste Fund and or Long Range Capital Improvement Fund to County General for cash flow purposes.

Be it further resolved that the loan(s) shall be repaid to their respective fund as practical during FY 2018.

Resolved this date by the County Board:  February 20th, 2018

Signed:  

Kim Gouker, County Board Chairman

Witnessed:

Laura J. Cook, County Clerk
Resolution to Authorize Long Range Planning Invoices

WHEREAS, on February 20, 2018, the Ogle County Board reviewed a summary of proposed Long Range Planning expenses;

NOW THEREFORE, BE IT RESOLVED, that the Ogle County Board authorizes payment of Long Range invoices for the following:

<table>
<thead>
<tr>
<th>VENDOR NAME</th>
<th>DESCRIPTION</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fischers, Inc.</td>
<td>(8) Flipper tables &amp; chairs - Rochelle EOC</td>
<td>$ 4,464.00</td>
</tr>
<tr>
<td>Manheim Solutions, Inc.</td>
<td>Economic Development - Professional Services for December 2017</td>
<td>$ 4,000.00</td>
</tr>
<tr>
<td>Manheim Solutions, Inc.</td>
<td>Economic Development - Professional Services for January 2018</td>
<td>$ 4,000.00</td>
</tr>
<tr>
<td>Willett Hofmann &amp; Associates</td>
<td>Professional Services for 12/10/17 to 1/6/18 6th Street Overview Assessment - Jail</td>
<td>$ 698.85</td>
</tr>
<tr>
<td>Fischers, Inc.</td>
<td>Mesh Chairs for Rochelle EOC</td>
<td>$ 1,752.00</td>
</tr>
<tr>
<td>Card Service Center - IT</td>
<td>IT - Camera for Judicial Center</td>
<td>$ 797.68</td>
</tr>
<tr>
<td>GovConnection, Inc.</td>
<td>IT - UPS BackUp - Interstructure</td>
<td>$ 2,247.41</td>
</tr>
<tr>
<td>Revize LLC</td>
<td>IT - County Website Upgrade</td>
<td>$ 8,233.00</td>
</tr>
<tr>
<td>Anderson Plumbing &amp; Heating</td>
<td>New Furnace for shop - Focus House</td>
<td>$ 1,690.00</td>
</tr>
<tr>
<td>Ogle County Treasurer - Finance</td>
<td>Reimb. Finance Contingency for Sikich Staffing Needs Study - 50% of HR Consulting Fee</td>
<td>$ 13,750.00</td>
</tr>
</tbody>
</table>

**TOTAL: $ 41,632.94**

Presented and Approved at the February 20, 2018 Ogle County Board Meeting.

Kim P. Gouker, Ogle County Board Chairman
Laura J. Cook, Ogle County Clerk
February 2, 2018

Mr. Don Griffin
Ogle County Board – District #5
105 S. Fifth Street
Oregon, IL. 61061

PROPOSAL

RE: 2nd Fl. IT Room
Repair and repaint water damaged exterior wall.

Dear Don,

We are hereby pleased to submit our proposal to furnish all labor and materials for the wall patching and painting of repaired wall at the above referenced project.

Total Base Bid...............................................................$2,360.00

We have included all covering and cleanup.
Will need room for 2 full days.
We have excluded permits, overtime, premium, or shift pay.

Should have any questions regarding this proposal please don’t hesitate to call me.

Sincerely,

James C. Shumaker
President

OgleCtyITRoomProp.
R-2018-0205 was presented at the Ogle County Board Meeting on February 20, 2018.

Kim P. Gouker, Ogle County Board Chairman
Laura J. Cook, Ogle County Clerk
RESOLUTION
2018-0206
FOR COUNTY BRIDGE CONSTRUCTION

BE IT RESOLVED by the County Board of Ogle County, Illinois, that the following County Section for Bridges be constructed:

2018 County Pipe Various Roads

BE IT FURTHER RESOLVED that the County share be made from County Aid to Bridge Fund (CAB);

WHEREAS, bids were received at the office of the County Engineer of Ogle County on February 9, 2018 at 2:00 PM for the above project;

WHEREAS, the following low bid was submitted by:

Contech Engineered Solutions LLC; $32,996.60
Metamora, IL

WHEREAS, the Road & Bridge Committee of Ogle County reviewed the bids and recommends its approval;

BE IT FURTHER RESOLVED that there is hereby appropriated the sum of $33,000.00 for the County portion of said project.

BE IT FURTHER RESOLVED that the above low bid be accepted and awarded.

STATE OF ILLINOIS) ) SS
COUNTY OF OGLE )

I, Laura J. Cook, County Clerk in and for said County, in the State aforesaid, and keeper of the records and files thereof, as provided by Statute, do hereby certify the foregoing to be a true, perfect and complete copy of a resolution adopted by the County Board of Ogle County, at its regular meeting held at Oregon on February 20, 2018.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said County at my office in Oregon, in said County, this 20th day of February, A.D. 2018.

Laura Cook
County Clerk
RESOLUTION
2018-0207
FOR COUNTY ROAD CONSTRUCTION

BE IT RESOLVED by the County Board of Ogle County, Illinois, that the following County Section for Highways be constructed:

2018 Crack Sealing Sec 18-00000-04-GM

WHEREAS, bids were received at the office of the County Engineer of Ogle County on February 9, 2018 at 2:00 PM for the above project;

WHEREAS, the following low bid was submitted by:

Complete Asphalt Service Company; $79,632.08
Pittsfield, IL

WHEREAS, the Road & Bridge Committee of Ogle County reviewed the bids and recommends its approval;

BE IT FURTHER RESOLVED that there is hereby appropriated the sum of $80,000.00
From the County Highway (CH) fund for the County portion of said project.

BE IT FURTHER RESOLVED that the above low bid be accepted and awarded subject to no protests being filed.

STATE OF ILLINOIS )
) SS
COUNTY OF OGLE )

I, Laura J. Cook, County Clerk in and for said County, in the State aforesaid, and keeper of the records and files thereof, as provided by Statute, do hereby certify the foregoing to be a true, perfect and complete copy of a resolution adopted by the County Board of Ogle County, at its regular meeting held at Oregon on February 20, 2018.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said County at my office in Oregon, in said County, this 20th day of February, A.D. 2018.

[Signature]
County Clerk
This Agreement is made and entered into between the above local public agency, hereinafter referred to as the "LPA", and the State of Illinois, acting by and through its Department of Transportation, hereinafter referred to as "STATE". The STATE and LPA jointly propose to improve the designated location as described below. The improvement shall be constructed in accordance with plans prepared by, or on behalf of the LPA, approved by the STATE and the STATE's policies and procedures approved and/or required by the Federal Highway Administration, hereinafter referred to as "FHWA".

Location

Local Name: Chana Road (CH 4)  
Route: FAS 0088  
Length: 5.09 mi

Termini: From Illinois 64 to Flagg Road

Current Jurisdiction: Ogle County  
TIP Number: N/A  
Existing Structure No: N/A

Project Description

3P Resurfacing

Division of Cost

<table>
<thead>
<tr>
<th>Type of Work</th>
<th>STR</th>
<th>%</th>
<th>%</th>
<th>LPA</th>
<th>%</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participating Construction</td>
<td>412,000</td>
<td>(80)</td>
<td>( )</td>
<td>103,000</td>
<td>(20)</td>
<td>515,000</td>
</tr>
<tr>
<td>Non-Participating Construction</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
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<tr>
<td>Preliminary Engineering</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
</tr>
<tr>
<td>Construction Engineering</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
</tr>
<tr>
<td>Right of Way</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
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<tr>
<td>Railroads</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
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<tr>
<td>Utilities</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
</tr>
<tr>
<td>Materials</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
<td>( )</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$ 412,000</td>
<td>$</td>
<td>$ 103,000</td>
<td>$</td>
<td>515,000</td>
<td></td>
</tr>
</tbody>
</table>

NOTE: The costs shown in the Division of Cost table are approximate and subject to change. The final LPA share is dependent on the final Federal and State participation. The actual costs will be used in the final division of cost for billing and reimbursement. If funding is not a percentage of the total, place an asterisk in the space provided for the percentage and explain above.

Local Public Agency Appropriation

By execution of this Agreement, the LPA attests that sufficient moneys have been appropriated or reserved by resolution or ordinance to fund the LPA share of project costs. A copy of the authorizing resolution or ordinance is attached as an addendum (required for State-let contracts only)

Method of Financing (State Contract Work Only)

METHOD A—Lump Sum (80% of LPA Obligation) __________________________ due by the ___________ of each successive month.

METHOD B—__________ Monthly Payments of ____________ due by the ___________ of each successive month.

METHOD C—LPA’s Share $103,000 divided by estimated total cost multiplied by actual progress payment.

(See page two for details of the above methods and the financing of Day Labor and Local Contracts)
THE LPA AGREES:

(1) To acquire in its name, or in the name of the STATE if on the STATE highway system, all right-of-way necessary for this project in accordance with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and established State policies and procedures. Prior to advertising for bids, the LPA shall certify to the STATE that all requirements of Titles II and III of said Uniform Act have been satisfied. The disposition of encroachments, if any, will be cooperatively determined by representatives of the LPA, and the STATE and the FHWA, if required.

(2) To provide for all utility adjustments, and to regulate the use of the right-of-way of this improvement by utilities, public and private, in accordance with the current Utility Accommodation Policy for Local Agency Highway and Street Systems.

(3) To provide for surveys and the preparation of plans for the proposed improvement and engineering supervision during construction of the proposed improvement.

(4) To retain jurisdiction of the completed improvement unless specified otherwise by addendum (addendum should be accompanied by a location map). If the improvement location is currently under road district jurisdiction, an addendum is required.

(5) To maintain or cause to be maintained, in a manner satisfactory to the STATE and the FHWA, the completed improvement, or that portion of the completed improvement within its jurisdiction as established by addendum referred to in item 4 above.

(6) To comply with all applicable Executive Orders and Federal Highway Acts pursuant to the Equal Employment Opportunity and Nondiscrimination Regulations required by the U.S. Department of Transportation.

(7) To maintain, for a minimum of 3 years after final project close-out by the STATE, adequate books, records and supporting documents to verify the amounts, recipients and uses of all disbursements of funds passing in conjunction with the contract; the contract and all books, records and supporting documents related to the contract shall be available for review and audit by the Auditor General and the department; and the LPA agrees to cooperate fully with any audit conducted by the Auditor General and the STATE; and to provide full access to all relevant materials. Failure to maintain the books, records and supporting documents required by this section shall establish a presumption in favor of the STATE for the recovery of any funds paid by the STATE under the contract for which adequate books, records and supporting documentation are not available to support their purported disbursement.

(8) To provide if required, for the improvement of any railroad-highway grade crossing and rail crossing protection within the limits of the proposed improvement.

(9) To comply with Federal requirements or possibly lose (partial or total) Federal participation as determined by the FHWA.

(10) (State Contracts Only) That the method of payment designated on page one will be as follows:

Method A - Lump Sum Payment. Upon award of the contract for this improvement, the LPA will pay to the STATE within thirty (30) calendar days of billing, in lump sum, an amount equal to 80% of the LPA’s estimated obligation incurred under this Agreement. The LPA will pay to the STATE the remainder of the LPA’s obligation (including any nonparticipating costs) within thirty (30) calendar days of billing in a lump sum, upon completion of the project based on final costs.

Method B - Monthly Payments. Upon award of the contract for this improvement, the LPA will pay to the STATE, a specified amount each month for an estimated period of months, or until 80% of the LPA’s estimated obligation under the provisions of the Agreement has been paid, and will pay to the STATE the remainder of the LPA’s obligation (including any nonparticipating costs) in a lump sum, upon completion of the project based upon final costs.

Method C - Progress Payments. Upon receipt of the contractor’s first and subsequent progressive bills for this improvement, the LPA will pay to the STATE within thirty (30) calendar days of receipt, an amount equal to the LPA’s share of the construction cost divided by the estimated total cost, multiplied by the actual payment (appropriately adjusted for nonparticipating costs) made to the contractor until the entire obligation incurred under this Agreement has been paid.

Failure to remit the payment(s) in a timely manner as required under Methods A, B, or C, shall allow the STATE to internally offset, reduce, or deduct the arrearage from any payment or reimbursement due or about to become due and payable from the STATE to LPA on this or any other contract. The STATE, at its sole option, upon notice to the LPA, may place the debt into the Illinois Comptroller’s Offset System (15 ILCS 405/10.05) or take such other and further action as may be required to recover the debt.

(11) (Local Contracts or Day Labor) To provide or cause to be provided all of the initial funding, equipment, labor, material and services necessary to construct the complete project.

(12) (Preliminary Engineering) In the event that right-of-way acquisition for, or actual construction of, the project for which this preliminary engineering is undertaken with Federal participation is not started by the close of the tenth fiscal year following the fiscal year in which the project is federally authorized, the LPA will repay the STATE any Federal funds received under the terms of this Agreement.

(13) (Right-of-Way Acquisition) In the event that the actual construction of the project on this right-of-way is not undertaken by the close of the twentieth fiscal year following the fiscal year in which the project is federally authorized, the LPA will repay the STATE any Federal Funds received under the terms of this Agreement.
(Railroad Related Work Only) The estimates and general layout plans for at-grade crossing improvements should be forwarded to the Rail Safety and Project Engineer, Room 204, Illinois Department of Transportation, 2300 South Dirksen Parkway, Springfield, Illinois, 62764. Approval of the estimates and general layout plans should be obtained prior to the commencement of railroad related work. All railroad related work is also subject to approval by the Illinois Commerce Commission (ICC). Final inspection for railroad related work should be coordinated through appropriate IDOT District Bureau of Local Roads and Streets office.

Plans and preemption times for signal related work that will be interconnected with traffic signals shall be submitted to the ICC for review and approval prior to the commencement of work. Signal related work involving interconnects with state maintained traffic signals should also be coordinated with the IDOT’s District Bureau of Operations.

The LPA is responsible for the payment of the railroad related expenses in accordance with the LPA/railroad agreement prior to requesting reimbursement from IDOT. Requests for reimbursement should be sent to the appropriate IDOT District Bureau of Local Roads and Streets office.

Engineer’s Payment Estimates shall be in accordance with the Division of Cost on page one.

And certifies to the best of its knowledge and belief its officials:
(a) are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency;
(b) have not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements receiving stolen property;
(c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, local) with commission of any of the offenses enumerated in item (b) of this certification; and
(d) have not within a three-year period preceding the Agreement had one or more public transactions (Federal, State, local) terminated for cause or default.

To include the certifications, listed in item 15 above, and all other certifications required by State statutes, in every contract, including procurement of materials and leases of equipment.

(State Contracts) That execution of this agreement constitutes the LPA’s concurrence in the award of the construction contract to the responsible low bidder as determined by the STATE.

That for agreements exceeding $100,000 in federal funds, execution of this Agreement constitutes the LPA's certification that:
(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or any employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement;
(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress, in connection with this Federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying”, in accordance with its instructions;
(c) The LPA shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

To regulate parking and traffic in accordance with the approved project report.

To regulate encroachments on public right-of-way in accordance with current Illinois Compiled Statutes.

To regulate the discharge of sanitary sewage into any storm water drainage system constructed with this improvement in accordance with current Illinois Compiled Statutes.

To complete this phase of the project within three (3) years from the date this agreement is approved by the STATE if this portion of the project described in the Project Description does not exceed $1,000,000 (five years if the project costs exceed $1,000,000).

To comply with the federal Financial Integrity Review and Evaluation (FIRE) program, which requires States and subrecipients to justify continued federal funding on inactive projects. 23 CFR 630.106(a)(5) defines an inactive project as a project which no expenditures have been charged against Federal funds for the past twelve (12) months.

To keep projects active, invoicing must occur a minimum of one time within any given twelve (12) month period. However, to ensure adequate processing time, the first invoice shall be submitted to the STATE within six (6) months of the federal authorization date. Subsequent invoices will be submitted in intervals not to exceed six (6) months.

The LPA will submit supporting documentation with each request for reimbursement from the STATE. Supporting documentation is defined as verification of payment, certified time sheets or summaries, vendor invoices, vendor receipts, cost plus fix fee invoice, progress report, and personnel and direct cost summaries and other documentation supporting the requested reimbursement amount (Form BLRS 05621 should be used for consultant invoicing purposes). LPA invoice requests to the STATE will be submitted with sequential invoice numbers by project.
The LPA will submit to the STATE a complete and detailed final invoice with applicable supporting documentation of all incurred costs, less previous payments, no later than twelve (12) months from the date of completion of this phase of the improvement or from the date of the previous invoice, which ever occurs first. If a final invoice is not received within this time frame, the most recent invoice may be considered the final invoice and the obligation of the funds closed.

(25) The LPA shall provide the final report to the appropriate STATE district within twelve months of the physical completion date of the project so that the report may be audited and approved for payment. If the deadline cannot be met, a written explanation must be provided to the district prior to the end of the twelve months documenting the reason and the new anticipated date of completion. If the extended deadline is not met, this process must be repeated until the project is closed. Failure to follow this process may result in the immediate close-out of the project and loss of further funding.

(26) (Single Audit Requirements) That if the LPA expends $750,000 or more a year in federal financial assistance they shall have an audit made in accordance with 2 CFR 200. LPAs expending less than $750,000 a year shall be exempt from compliance. A copy of the audit report must be submitted to the STATE (Office of Finance and Administration, Audit Coordination Section, 2300 South Dirksen Parkway, Springfield, Illinois, 62704), within 30 days after the completion of the audit, but no later than one year after the end of the LPA’s fiscal year. The CFDA number for all highway planning and construction activities is 20.205.

Federal funds utilized for construction activities on projects let and awarded by the STATE (denoted by an “X” in the State Contract field at the top of page 1) are not included in a LPA’s calculation of federal funds expended by the LPA for Single Audit purposes.

(27) That the LPA is required to register with the System for Award Management or SAM (formerly Central Contractor Registration (CCR)), which is a web-enabled government-wide application that collects, validates, stores, and disseminates business information about the federal government’s trading partners in support of the contract award and the electronic payment processes. To register or renew, please use the following website: https://www.sam.gov/portal/public/SAM/1.

The LPA is also required to obtain a Dun & Bradstreet (D&B) D-U-N-S Number. This is a unique nine digit number required to identify subrecipients of federal funding. A D-U-N-S number can be obtained at the following website:

THE STATE AGREES:

(1) To provide such guidance, assistance and supervision and to monitor and perform audits to the extent necessary to assure validity of the LPA’s certification of compliance with Titles II and III requirements.

(2) (State Contracts) To receive bids for the construction of the proposed improvement when the plans have been approved by the STATE (and FHWA, if required) and to award a contract for construction of the proposed improvement, after receipt of a satisfactory bid.

(3) (Day Labor) To authorize the LPA to proceed with the construction of the improvement when Agreed Unit Prices are approved, and to reimburse the LPA for that portion of the cost payable from Federal and/or State funds based on the Agreed Unit Prices and Engineer’s Payment Estimates in accordance with the Division of Cost on page one.

(4) (Local Contracts) For agreements with Federal and/or State funds in engineering, right-of-way, utility work and/or construction work:
(a) To reimburse the LPA for the Federal and/or State share on the basis of periodic billings, provided said billings contain sufficient cost information and show evidence of payment by the LPA;
(b) To provide independent assurance sampling, to furnish off-site material inspection and testing at sources normally visited by STATE inspectors of steel, cement, aggregate, structural steel and other materials customarily tested by the STATE.

IT IS MUTUALLY AGREED:

(1) Construction of the project will utilize domestic steel as required by Section 106.01 of the current edition of the Standard Specifications for Road and Bridge Construction and federal Buy America provisions.

(2) That this Agreement and the covenants contained herein shall become null and void in the event that the FHWA does not approve the proposed improvement for Federal-aid participation within one (1) year of the date of execution of this Agreement.

(3) This Agreement shall be binding upon the parties, their successors and assigns.

(4) For contracts awarded by the LPA, the LPA shall not discriminate on the basis of race, color, national origin or sex in the award and performance of any USDOT – assisted contract or in the administration of its DBE program or the requirements of 49 CFR part 26. The LPA shall take all necessary and reasonable steps under 49 CFR part 26 to ensure nondiscrimination in the award and administration of USDOT – assisted contracts. The LPA’s DBE program, as required by 49 CFR part 26 and as approved by USDOT, is incorporated by reference in this Agreement. Upon notification to the recipient of its failure to carry out its approved program, the STATE may impose sanctions as provided for under part 26 and may, in appropriate cases, refer the matter for
enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.). In the absence of a USDOT – approved LPA DBE Program or on State awarded contracts, this Agreement shall be administered under the provisions of the STATE’s USDOT approved Disadvantaged Business Enterprise Program.

(5) In cases where the STATE is reimbursing the LPA, obligations of the STATE shall cease immediately without penalty or further payment being required if, in any fiscal year, the Illinois General Assembly or applicable Federal Funding source fails to appropriate or otherwise make available funds for the work contemplated herein.

(6) All projects for the construction of fixed works which are financed in whole or in part with funds provided by this Agreement and/or amendment shall be subject to the Prevailing Wage Act (820 ILCS 130/0.01 et seq.) unless the provisions of that Act exempt its application.

---

**ADDENDA**

Additional information and/or stipulations are hereby attached and identified below as being a part of this Agreement.

<table>
<thead>
<tr>
<th>Number 1: Location Map</th>
<th>Number 2: LPA Appropriation Resolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Insert Addendum numbers and titles as applicable)</td>
<td></td>
</tr>
</tbody>
</table>

---

The LPA further agrees, as a condition of payment, that it accepts and will comply with the applicable provisions set forth in this Agreement and all Addenda indicated above.

**APPROVED**

Local Public Agency

---

**APPROVED**

State of Illinois

Department of Transportation

---

Name of Official (Print or Type Name)

Kim Gouker

Title (County Board Chairperson/Mayor/Village President/etc.)

County Board Chairperson

Signature

Date

Randall S. Blankenhorn, Secretary

Date

By:

Aaron A. Westerholt, Deputy Director of Highways

Date

Omer Osman, Director of Highways/Chief Engineer

Date

Phil Kaufmann, Acting Chief Counsel

Date

Jeff Heck, Chief Fiscal Officer (CFO)

Date

The above signature certifies the agency’s TIN number is 36-6606637 conducting business as a Governmental Entity.

DUNS Number 133625124

---

**NOTE:** If the LPA signature is by an APPOINTED official, a resolution authorizing said appointed official to execute this agreement is required.
Ogle County
STR Funds
13-00298-00-RS
3P Resurfacing on Chana Road
from Illinois 64
to Flagg Road

Addendum #1, Location Map
RESOLUTION
2018-0209
FOR COUNTY ROAD CONSTRUCTION

BE IT RESOLVED by the County Board of Ogle County, Illinois, that the following County Section for Highways be constructed:

Section 13-00298-00-RS    Chana Road    Asphalt Overlay

BE IT FURTHER RESOLVED that there is hereby appropriated the sum of $103,000 from the Federal Aid Matching fund for the County portion of said project.

STATE OF ILLINOIS)
) SS
COUNTY OF OGLE )

I, Laura J. Cook, County Clerk in and for said County, in the State aforesaid, and keeper of the records and files thereof, as provided by Statute, do hereby certify the foregoing to be a true, perfect and complete copy of a resolution adopted by the County Board of Ogle County, at its regular meeting held at Oregon on February 20, 2018.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said County at my office in Oregon, in said County, this 20th day of February, A.D. 2018.

Laura Cook
County Clerk
This Agreement is made and entered into between the above local public agency, hereinafter referred to as the "LPA", and the State of Illinois, acting by and through its Department of Transportation, hereinafter referred to as "STATE". The STATE and LPA jointly propose to improve the designated location as described below. The improvement shall be constructed in accordance with plans prepared by, or on behalf of the LPA, approved by the STATE and the STATE's policies and procedures approved and/or required by the Federal Highway Administration, hereinafter referred to as "FHWA".

Location

Local Name: Freeport Road (CH 12)  Route: FAS 0189  Length: 6.85 mi

Termini: From US 52 to Sterling Road

Current Jurisdiction: Ogle County  TIP Number: N/A  Existing Structure No: N/A

Project Description

3P resurfacing

Division of Cost

<table>
<thead>
<tr>
<th>Type of Work</th>
<th>STR</th>
<th>%</th>
<th>%</th>
<th>LPA</th>
<th>%</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participating Construction</td>
<td>792,000</td>
<td>(80)</td>
<td>(</td>
<td>196,000</td>
<td>(20)</td>
<td>990,000</td>
</tr>
<tr>
<td>Non-Participating Construction</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
</tr>
<tr>
<td>Preliminary Engineering</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
</tr>
<tr>
<td>Construction Engineering</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
</tr>
<tr>
<td>Right of Way</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
</tr>
<tr>
<td>Railroads</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
</tr>
<tr>
<td>Utilities</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
</tr>
<tr>
<td>Materials</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
<td>(     )</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$792,000</td>
<td>$</td>
<td>$</td>
<td>$198,000</td>
<td>$</td>
<td>$990,000</td>
</tr>
</tbody>
</table>

NOTE: The costs shown in the Division of Cost table are approximate and subject to change. The final LPA share is dependent on the final Federal and State participation. The actual costs will be used in the final division of cost for billing and reimbursement.

If funding is not a percentage of the total, place an asterisk in the space provided for the percentage and explain above.

Local Public Agency Appropriation

By execution of this Agreement, the LPA attests that sufficient moneys have been appropriated or reserved by resolution or ordinance to fund the LPA share of project costs. A copy of the authorizing resolution or ordinance is attached as an addendum (required for State-let contracts only)

Method of Financing (State Contract Work Only)

METHOD A—Lump Sum (80% of LPA Obligation)

METHOD B—Monthly Payments of divided by estimated total cost multiplied by actual progress payment.

METHOD C—LPA's Share $198,000

(See page two for details of the above methods and the financing of Day Labor and Local Contracts)
THE LPA AGREES:

(1) To acquire in its name, or in the name of the STATE if on the STATE highway system, all right-of-way necessary for this project in accordance with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and established State policies and procedures. Prior to advertising for bids, the LPA shall certify to the STATE that all requirements of Titles II and III of said Uniform Act have been satisfied. The disposition of encroachments, if any, will be cooperatively determined by representatives of the LPA, and the STATE and the FHWA, if required.

(2) To provide for all utility adjustments, and to regulate the use of the right-of-way of this improvement by utilities, public and private, in accordance with the current Utility Accommodation Policy for Local Agency Highway and Street Systems.

(3) To provide for surveys and the preparation of plans for the proposed improvement and engineering supervision during construction of the proposed improvement.

(4) To retain jurisdiction of the completed improvement unless specified otherwise by addendum (addendum should be accompanied by a location map). If the improvement location is currently under road district jurisdiction, an addendum is required.

(5) To maintain or cause to be maintained, in a manner satisfactory to the STATE and the FHWA, the completed improvement, or that portion of the completed improvement within its jurisdiction as established by addendum referred to in item 4 above.

(6) To comply with all applicable Executive Orders and Federal Highway Acts pursuant to the Equal Employment Opportunity and Nondiscrimination Regulations required by the U.S. Department of Transportation.

(7) To maintain, for a minimum of 3 years after final project close-out by the STATE, adequate books, records and supporting documents to verify the amounts, records and users of all disbursements of funds passing in conjunction with the contract; the contract and all books, records and supporting documents related to the contract shall be available for review and audit by the Auditor General and the department; and the LPA agrees to cooperate fully with any audit conducted by the Auditor General and the STATE; and to provide full access to all relevant materials. Failure to maintain the books, records and supporting documents required by this section shall establish a presumption in favor of the STATE for the recovery of any funds paid by the STATE under the contract for which adequate books, records and supporting documentation are not available to support their purported disbursement.

(8) To provide if required, for the improvement of any railroad-highway grade crossing and rail crossing protection within the limits of the proposed improvement.

(9) To comply with Federal requirements or possibly lose (partial or total) Federal participation as determined by the FHWA.

(10) (State Contracts Only) That the method of payment designated on page one will be as follows:

Method A - Lump Sum Payment. Upon award of the contract for this improvement, the LPA will pay to the STATE within thirty (30) calendar days of billing, in lump sum, an amount equal to 80% of the LPA’s estimated obligation incurred under this Agreement. The LPA will pay to the STATE the remainder of the LPA’s obligation (including any nonparticipating costs) within thirty (30) calendar days of billing in a lump sum, upon completion of the project based on final costs.

Method B - Monthly Payments. Upon award of the contract for this improvement, the LPA will pay to the STATE, a specified amount each month for an estimated period of months, or until 80% of the LPA’s estimated obligation under the provisions of the Agreement has been paid, and will pay to the STATE the remainder of the LPA’s obligation (including any nonparticipating costs) in a lump sum, upon completion of the project based on final costs.

Method C - Progress Payments. Upon receipt of the contractor’s first and subsequent progressive bills for this improvement, the LPA will pay to the STATE within thirty (30) calendar days of receipt, an amount equal to the LPA’s share of the construction cost divided by the estimated total cost, multiplied by the actual payment (appropriately adjusted for nonparticipating costs) made to the contractor until the entire obligation incurred under this Agreement has been paid.

Failure to remit the payment(s) in a timely manner as required under Methods A, B, or C, shall allow the STATE to internally offset, reduce, or deduct the arrearage from any payment or reimbursement due or about to become due and payable from the STATE to LPA on this or any other contract. The STATE, at its sole option, upon notice to the LPA, may place the debt into the Illinois Comptroller’s Offset System (15 ILCS 405/10.05) or take such other and further action as my be required to recover the debt.

(11) (Local Contracts or Day Labor) To provide or cause to be provided all of the initial funding, equipment, labor, material and services necessary to construct the complete project.

(12) (Preliminary Engineering) In the event that right-of-way acquisition for, or actual construction of, the project for which this preliminary engineering is undertaken with Federal participation is not started by the close of the tenth fiscal year following the fiscal year in which the project is federally authorized, the LPA will repay the STATE any Federal funds received under the terms of this Agreement.

(13) (Right-of-Way Acquisition) In the event that the actual construction of the project on this right-of-way is not undertaken by the close of the twentieth fiscal year following the fiscal year in which the project is federally authorized, the LPA will repay the STATE any Federal Funds received under the terms of this Agreement.
(14) (Railroad Related Work Only) The estimates and general layout plans for at-grade crossing improvements should be forwarded to the Rail Safety and Project Engineer, Room 204, Illinois Department of Transportation, 2300 South Dirksen Parkway, Springfield, Illinois, 62764. Approval of the estimates and general layout plans should be obtained prior to the commencement of railroad related work. All railroad related work is also subject to approval by the Illinois Commerce Commission (ICC). Final inspection for railroad related work should be coordinated through appropriate IDOT District Bureau of Local Roads and Streets office.

Plans and preemption times for signal related work that will be interconnected with traffic signals shall be submitted to the ICC for review and approval prior to the commencement of work. Signal related work involving interconnects with state maintained traffic signals should also be coordinated with the IDOT’s District Bureau of Operations.

The LPA is responsible for the payment of the railroad related expenses in accordance with the LPA/railroad agreement prior to requesting reimbursement from IDOT. Requests for reimbursement should be sent to the appropriate IDOT District Bureau of Local Roads and Streets office.

Engineer's Payment Estimates shall be in accordance with the Division of Cost on page one.

(15) And certifies to the best of its knowledge and belief its officials:

(a) are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency;

(b) have not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements receiving stolen property;

(c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, local) with commission of any of the offenses enumerated in Item (b) of this certification; and

(d) have not within a three-year period preceding the Agreement had one or more public transactions (Federal, State, local) terminated for cause or default.

(16) To include the certifications, listed in item 15 above, and all other certifications required by State statutes, in every contract, including procurement of materials and leases of equipment.

(17) (State Contracts) That execution of this agreement constitutes the LPA’s concurrence in the award of the construction contract to the responsible low bidder as determined by the STATE.

(18) That for agreements exceeding $100,000 in federal funds, execution of this Agreement constitutes the LPA’s certification that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or any employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement;

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress, in connection with this Federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying”, in accordance with its instructions;

(c) The LPA shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

(19) To regulate parking and traffic in accordance with the approved project report.

(20) To regulate encroachments on public right-of-way in accordance with current Illinois Compiled Statutes.

(21) To regulate the discharge of sanitary sewage into any storm water drainage system constructed with this improvement in accordance with current Illinois Compiled Statutes.

(22) To complete this phase of the project within three (3) years from the date this agreement is approved by the STATE if this portion of the project described in the Project Description does not exceed $1,000,000 (five years if the project costs exceed $1,000,000).

(23) To comply with the federal Financial Integrity Review and Evaluation (FIRE) program, which requires States and subrecipients to justify continued federal funding on inactive projects. 23 CFR 630.106(a)(5) defines an inactive project as a project which no expenditures have been charged against Federal funds for the past twelve (12) months.

To keep projects active, invoicing must occur a minimum of one time within any given twelve (12) month period. However, to ensure adequate processing time, the first invoice shall be submitted to the STATE within six (6) months of the federal authorization date. Subsequent invoices will be submitted in intervals not to exceed six (6) months.

(24) The LPA will submit supporting documentation with each request for reimbursement from the STATE. Supporting documentation is defined as verification of payment, certified time sheets or summaries, vendor invoices, vendor receipts, cost plus fix fee invoice, progress report, and personnel and direct cost summaries and other documentation supporting the requested reimbursement amount (Form BLRS 05621 should be used for consultant invoicing purposes). LPA invoice requests to the STATE will be submitted with sequential invoice numbers by project.
The LPA will submit to the STATE a complete and detailed final invoice with applicable supporting documentation of all incurred costs, less previous payments, no later than twelve (12) months from the date of completion of this phase of the improvement of from the date of the previous invoice, which ever occurs first. If a final invoice is not received within this time frame, the most recent invoice may be considered the final invoice and the obligation of the funds closed.

(25) The LPA shall provide the final report to the appropriate STATE district within twelve months of the physical completion date of the project so that the report may be audited and approved for payment. If the deadline cannot be met, a written explanation must be provided to the district prior to the end of the twelve months documenting the reason and the new anticipated date of completion. If the extended deadline is not met, this process must be repeated until the project is closed. Failure to follow this process may result in the immediate close-out of the project and loss of further funding.

(26) (Single Audit Requirements) That if the LPA expends $750,000 or more a year in federal financial assistance they shall have an audit made in accordance with 2 CFR 200. LPAs expending less than $750,000 a year shall be exempt from compliance. A copy of the audit report must be submitted to the STATE (Office of Finance and Administration, Audit Coordination Section, 2300 South Dirksen Parkway, Springfield, Illinois, 62764), within 30 days after the completion of the audit, but no later than one year after the end of the LPA’s fiscal year. The CFDA number for all highway planning and construction activities is 20.205.

Federal funds utilized for construction activities on projects let and awarded by the STATE (denoted by an “X” in the State Contract field at the top of page 1) are not included in a LPA’s calculation of federal funds expended by the LPA for Single Audit purposes.

(27) That the LPA is required to register with the System for Award Management or SAM (formerly Central Contractor Registration (CCR)), which is a web-enabled government-wide application that collects, validates, stores, and disseminates business information about the federal government’s trading partners in support of the contract award and the electronic payment processes. To register or renew, please use the following website: https://www.sam.gov/portal/public/SAM#/1.

The LPA is also required to obtain a Dun & Bradstreet (D&B) D-U-N-S Number. This is a unique nine digit number required to identify subrecipients of federal funding. A D-U-N-S number can be obtained at the following website: http://fedgov.dnb.com/webform.

THE STATE AGREES:

(1) To provide such guidance, assistance and supervision and to monitor and perform audits to the extent necessary to assure validity of the LPA’s certification of compliance with Titles II and III requirements.

(2) (State Contracts) To receive bids for the construction of the proposed improvement when the plans have been approved by the STATE (and FHWA, if required) and to award a contract for construction of the proposed improvement, after receipt of a satisfactory bid.

(3) (Day Labor) To authorize the LPA to proceed with the construction of the improvement when Agreed Unit Prices are approved, and to reimburse the LPA for that portion of the cost payable from Federal and/or State funds based on the Agreed Unit Prices and Engineer’s Payment Estimates in accordance with the Division of Cost on page one.

(4) (Local Contracts) For agreements with Federal and/or State funds in engineering, right-of-way, utility work and/or construction work:
   (a) To reimburse the LPA for the Federal and/or State share on the basis of periodic billings, provided said billings contain sufficient cost information and show evidence of payment by the LPA;
   (b) To provide independent assurance sampling, to furnish off-site material inspection and testing at sources normally visited by STATE inspectors of steel, cement, aggregate, structural steel and other materials customarily tested by the STATE.

IT IS MUTUALLY AGREED:

(1) Construction of the project will utilize domestic steel as required by Section 106.01 of the current edition of the Standard Specifications for Road and Bridge Construction and federal Buy America provisions.

(2) That this Agreement and the covenants contained herein shall become null and void in the event that the FHWA does not approve the proposed improvement for Federal-aid participation within one (1) year of the date of execution of this Agreement.

(3) This Agreement shall be binding upon the parties, their successors and assigns.

(4) For contracts awarded by the LPA, the LPA shall not discriminate on the basis of race, color, national origin or sex in the award and performance of any USDOT – assisted contract or in the administration of its DBE program or the requirements of 49 CFR part 26. The LPA shall take all necessary and reasonable steps under 49 CFR part 26 to ensure nondiscrimination in the award and administration of USDOT – assisted contracts. The LPA’s DBE program, as required by 49 CFR part 26 and as approved by USDOT, is incorporated by reference in this Agreement. Upon notification to the recipient of its failure to carry out its approved program, the STATE may impose sanctions as provided for under part 26 and may, in appropriate cases, refer the matter for
enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.). In the absence of a USDOT-approved LPA DBE Program or on State awarded contracts, this Agreement shall be administered under the provisions of the STATE's USDOT approved Disadvantaged Business Enterprise Program.

(5) In cases where the STATE is reimbursing the LPA, obligations of the STATE shall cease immediately without penalty or further payment being required if, in any fiscal year, the Illinois General Assembly or applicable Federal Funding source fails to appropriate or otherwise make available funds for the work contemplated herein.

(6) All projects for the construction of fixed works which are financed in whole or in part with funds provided by this Agreement and/or amendment shall be subject to the Prevailing Wage Act (820 ILCS 130/0.01 et seq.) unless the provisions of that Act exempt its application.

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**ADDENDA**

Additional information and/or stipulations are hereby attached and identified below as being a part of this Agreement.

**Number 1 - Location Map, Number 2 - LPA Appropriation Resolution**

(Inset Addendum numbers and titles as applicable)

---

The LPA further agrees, as a condition of payment, that it accepts and will comply with the applicable provisions set forth in this Agreement and all Addenda indicated above.

**APPROVED**
Local Public Agency

**APPROVED**
State of Illinois
Department of Transportation

---

**KIM CROUSE**
Name of Official (Print or Type Name)

**SOUTH BOARD CHAIRPERSON**
Title (County Board Chairperson/Mayor/Village President/etc.)

---

*Signature* 3/30/18
Date

The above signature certifies the agency's TIN number is 36-6046637 conducting business as a Governmental Entity.

**DUNS Number 133625124**

---

**Randall S. Blankenhorn, Secretary**
Date

**By:**

**Aaron A. Weatherholt, Deputy Director of Highways**
Date

**Omer Osman, Director of Highways/Chief Engineer**
Date

**Phil Kaufmann, Acting Chief Counsel**
Date

**Jeff Heck, Chief Fiscal Officer (CFO)**
Date

---

**NOTE:** If the LPA signature is by an APPOINTED official, a resolution authorizing said appointed official to execute this agreement is required.
Ogle County
STR Funds
13-00300-00-RS
3P resurfacing on Freeport Rd from US 52 to Sterling Rd

Addendum #1, Location Map
RESOLUTION
2018-0211
FOR COUNTY ROAD CONSTRUCTION

BE IT RESOLVED by the County Board of Ogle County, Illinois, that the following County Section for Highways be constructed:

Section 13-00300-00-RS Freeport Road Asphalt Overlay

BE IT FURTHER RESOLVED that there is hereby appropriated the sum of $198,000 from the Federal Aid Matching fund for the County portion of said project.

STATE OF ILLINOIS) ) SS
COUNTY OF OGLE )

I, Laura J. Cook, County Clerk in and for said County, in the State aforesaid, and keeper of the records and files thereof, as provided by Statute, do hereby certify the foregoing to be a true, perfect and complete copy of a resolution adopted by the County Board of Ogle County, at its regular meeting held at Oregon on February 20, 2018.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said County at my office in Oregon, in said County, this 20th day of February, A.D. 2018.

[Signature]
County Clerk