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Approval of Firm Recommendation and Contract for an Independent Forensic Audit

Purpose
This report presents an administrative recommendation to contract with Wipfli Advisory LLC for an independent forensic financial review and internal control evaluation, fulfilling the Board directive to establish objective baselines for operational continuity.

Background and Information
Following Board authorization to seek forensic accounting services, the administration evaluated regional market options to find an independent firm with PK-12 educational competency. Wipfli Advisory LLC demonstrated the highest institutional readiness, bringing over 20 years of school district consulting experience and active alignment with the Illinois Association of School Business Officials (IASBO). Wipfli has also agreed to completely waive their standard 6% technology and administrative fee for this engagement.

Key Provisions
The contractual agreement follows a structured, multi-phased framework.

- The Phase I scope focuses on process walkthroughs, data normalization, and an evaluation of the internal control environment to identify operational vulnerabilities and fraud risks.
- Services are billed at an hourly rate of 385 dollars, with a strict "Not to Exceed" maximum cap of 16,000 dollars for the Phase I evaluation to ensure total cost predictability.
- Any expansion into Phase II including intensive bank statement normalization, payroll or investment account reviews, and a finalized written report is contingent on mutual agreement and separate administrative authorization based on Phase I findings.
- The audit will be directly supervised by Christina Solomon, who holds CPA, CFF, and CFE credentials with over twenty years of forensic experience, and Matt Storlie, a CFE and Certified Internal Data Analyst managing transaction data analytics.

Value Added Observations and Suggestions
Beyond the core investigation, the district will receive targeted administrative insights to improve long-term operational efficiency. Wipfli will provide structural suggestions regarding appropriate controls suitable for our specific district size, alongside proactive process improvements and preventative fraud testing models to give our business office a clear roadmap for strict procedural integrity.

Administrative Considerations and Resource Allocation
While this review is necessary to maintain public trust, the Board must recognize the heavy operational strain it places on our staff. A specialized forensic audit requires intensive documentation retrieval and deep logistical support. Because our business office is currently short by one team member during a complex operational transition, managing these data requests will significantly impact daily operations. Furthermore, if initial findings push us into an expanded Phase II investigation, both the financial commitment and the internal bandwidth required to sustain the audit will rise substantially.

Administrative Recommendation
The administration recommends that the Board of Education formally approve the contractual agreement with Wipfli Advisory LLC to conduct Phase I of the independent forensic audit for an amount not to exceed 16,000 dollars, and authorize the Superintendent to execute the final engagement letter.