



April 29, 2009

Mr. Michael McKenzie
Board of Education of the City of Peoria
3202 N. Wisconsin
Peoria, IL 61602

Dear Mike:

At the request of the Controller/Treasurer, we perform certain agreed-upon procedures selected by the District's management related to the books and records of the Grade School Activity Funds for the schools selected by the District. At school year-end, Lindbergh Middle School was included in the selections by the Controller/Treasurer in 2008.

Our procedures and results related to Lindbergh Middle School for school year ended in 2008 were as follows:

A. Obtain the following documents to be utilized in performing the below enumerated procedures for the time period June 7, 2007 through May 31, 2008 for the general account:

1. General ledger (listing of activity within each activity account and balance of cash/investments at the end of the respective period)
2. Checkbooks
3. Receipts reflecting receipt of incoming funds, if any
4. Bank statements
5. Canceled checks
6. Bank returned deposit tickets, debit and credit memos
7. Duplicate deposit tickets
8. Invoices or other documentation supporting disbursements
9. Bank reconciliations
10. Report of receipts/disbursements for the school year

Result: An inventory of data was not taken but was obtained to perform the following procedures. We did note that canceled checks and deposit copies are electronic images of the original provided by the bank (originals are not returned by the bank). However, the records were provided to us in June 2008. Records were returned to District personnel after completing our procedures.

B. Foot the general ledger for the time period June 7, 2007 through May 31, 2008.

Result: No exceptions noted.

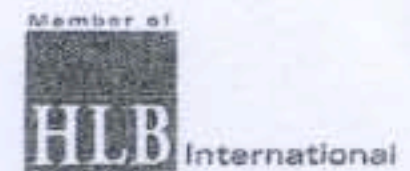
C. Review monthly bank reconciliations prepared by the principal or secretary to determine that reconciliations were being prepared and reconciling items were properly identified.

Result: At the date of our review (June 12, 2008), the May 31, 2008 bank reconciliation was not available.

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D. Inquire as to what controls are in place for receipts and disbursements.

Result: Based on inquiry only, we noted the following:

- Prenumbered receipts are not used
- Receipts are written for all transactions
- The principal handles most deposits. The library manager may assist, if needed
- The principal or library manager makes deposits
- Receipts are deposited twice a month
- Prenumbered checks are used
- No petty cash is maintained at the school
- All disbursement vouchers are properly authorized and supported by invoice and check requests before checks are written
- Game receipts are collected for basketball. Teachers rotate who collects money and the secretary double checks
- The principal and secretary are authorized to sign checks (one signature required)

No additional testing of these items was done other than what was performed in other steps noted herein.

E. Inquire as to what kind of receipt books are maintained.

Result: As noted above, prenumbered receipts are not maintained. No formal method of maintaining duplicate receipts was noted.

F. Trace 20 disbursements per the general ledger to underlying supporting documentation. Identify disbursements which appear to be related-party transactions.

20 items were randomly selected for testing. Each item had a disbursement voucher with signed authorization. All checks were signed by the principal. We agreed the payee, amount, date and description from the voucher to the check stub. We examined supporting documentation (invoice, receipt, copy of check) agreeing payee, amount, and date. We noted the 2 following exceptions of the 20 disbursements tested.

Check #2107 to Richard Wang for \$100 had no supporting invoice. The description is noted as "slogan change."

Check #2149 to Peoria Chiefs for \$155 had no supporting documentation. The description is noted as "tickets reimbursed from sales."

Of the 20 disbursements tested, we did identify various checks to parties employed by the District. However, supporting documentation was available to reflect the purpose that this was reimbursing parties involved. Of the items tested, we noted no checks payable to the principal.

Additionally, one of the disbursements selected was check #2035 in the amount of \$979.34 to Discover for payment of a laptop computer. Supporting documentation was provided.

Mr. Michael McKenzie
Board of Education of the City of Peoria
April 29, 2009
Page 3

G. Request a list of fund raising activities in which the school participated.

Result: Per inquiry, the primary fundraising activities are sales of candy and the Taste of Lindbergh. The PTO is responsible for collecting funds.

The above procedures were performed at the request of the Controller/Treasurer of the District. We make no representation regarding the sufficiency of the procedures for any purpose. We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion of the financial statements of the Student Activity Funds of Lindbergh Middle School. Had we performed additional procedures, matters might have come to our attention that would be reported to the District.

We have not previously issued any other report related to the procedures performed related specifically to the Student Activity Funds of Lindbergh Middle School for the school year ended in 2008.

Sincerely,

CLIFTON GUNDERSON LLP



Helen G. Barrick, Partner

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