

January 21, 2021

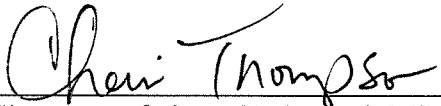
Elaine Brueggemann
Compliance Specialist
Illinois Federation of Teachers
4 Executive Dr.
Fairview Heights, IL 62208

Dear Ms. Brueggemann:

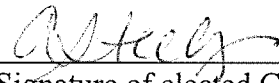
Please find attached internal financial review for the Belleville High School Federation of Teachers, Local # 434, for the fiscal year ending August 31, 2020. The required financial document was presented to the Executive Council on January 21, 2021.

The required financial document has been published and is available to all our members.


Sincerely,



Signature of elected Principal Officer



Signature of elected General Officer



Belleville Federation of Teachers Local 434

**AFT Local 434
Audit/Financial Review Opinion
August 31, 2020**

January 12, 2021

We have audited the balance sheet of AFT Local 434 as of August 31, 2020 and the related statement of income and changes in equity. These financial statements are the responsibility of AFT Local 434. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted the audit review in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of AFT Local 434 on August 31, 2020 and the results of its operations in conformity with accounting principles generally accepted in the United States.



Rich Hodson



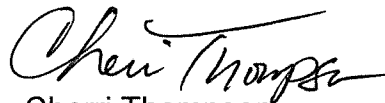
Mike Chase



Liz de la Torre



Ashley Steely



Cherri Thompson

AFT Local 434
Management Letter Comments
August 31, 2020

Although there were no material weaknesses in controls or accounting procedures noted during the audit, the following are suggestions or comments to help improve the accuracy and integrity of the financial data:

1. Continue to document approved salary payments for members in the first minutes of the fiscal year. Please clearly document the salary pay periods and a detailed list of individuals and respective monthly stipends in the minutes. (i.e. name/monthly salary, bi-monthly salary, etc.)
2. The suggestion last year for the Treasurer/Comptroller, in addition to the Accountant, to complete bank reconciliations and include with the bank statements is evident and should continue.
3. Last year it was noted that we strongly encouraged that the Treasurer/Comptroller have access to online bank statements, current account balances, and account activity at all times. This is necessary in order to complete the treasurer duties accurately and in a timely manner. It is evident that this occurs, with the exception of the Escrow account.
4. The Accountant should also have access to bank statements of all accounts or copies of them in order to keep accurate records. Although discrepancies were very minor with the Escrow account, it still should follow the GAAP guidelines.
5. The Trial Balance notes a balance of \$1000 in the Regions Escrow account. This account needs review. Who has access to this account? Are there any activity requirements to avoid penalties/fees for an idle account? Is this account still a necessary requirement by the IFT?

The above statement was noted last year. Did any of this get resolved? There were minor penny differences that required catch up entries with only one statement available. It was evident that there was an 18-month lapse in updates for this account. It is recommended that this account be evaluated and pursue the ability for online access to statements by all.

6. Document specific information, in detail, for any errors discovered and needing adjustments. Discrepancies found this year were minor but include:
 - a. Differences in salary payments. Source documents need to show an explanation of overpayments or underpayments.
 - b. Very minor discrepancies between documentation in the checkbook, check register, source document, and Quick Books entry. (i.e. cross-referencing with checkbook for voided checks, dollar amounts, dates, etc.)