



REHMANN ROBSON

Certified Public Accountants

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December 19, 2006

Bruce A. Rukkila, CPA, P.C.
310 Sheldon Ave.
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We have reviewed the system of quality control for the accounting and auditing practice of **Bruce A. Rukkila, CPA, P.C.** (the "Firm") in effect for the year ended June 30, 2006. A system of quality control encompasses the Firm's organizational structure, the policies adopted and procedures established to provide it with reasonable assurance of conforming with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of CPAs (AICPA). The Firm is responsible for designing a system of quality control and complying with it to provide the Firm reasonable assurance of conforming with 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 with its system of quality control based on our review.

Our review was conducted in accordance with standards established by the Peer Review Board of the AICPA. During our review, we read required representations from the Firm, interviewed Firm personnel and obtained an understanding of the nature of the Firm's accounting and auditing practice, and the design of the Firm's system of quality control sufficient to assess the risks implicit in its practice. Based on our assessments, we selected engagements and administrative files to test for conformity with professional standards and compliance with the Firm's system of quality control. The engagements selected represented a reasonable cross-section of the Firm's accounting and auditing practice with emphasis on higher-risk engagements. The engagements selected included among others, an audit of an Employee Benefit Plan and engagements performed under *Government Auditing Standards*. Prior to concluding the review, we reassessed the adequacy of the scope of the peer review procedures and met with firm management to discuss the results of our review. We believe that the procedures we performed provide a reasonable basis for our opinion.

In performing our review, we obtained an understanding of the system of quality control for the Firm's accounting and auditing practice. In addition, we tested compliance with the Firm's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of the Firm's policies and procedures on selected engagements. Our review was based on selected tests; therefore it would not necessarily detect all weaknesses in the system of quality control or all instances of noncompliance with it. There are inherent limitations in the effectiveness of any system of quality control and therefore noncompliance with the system of quality control may occur and not be detected. Projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or because the degree of compliance with the policies or procedures may deteriorate.

In our opinion, except for the effects of the deficiency described below, the system of quality control for the accounting and auditing practice of *Bruce A. Rukkila, CPA, P.C.* in effect for the year ended June 30, 2006, has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA and was complied with during the year then ended to provide the firm with reasonable assurance of conforming with professional standards.

Reasons for Modified Opinion and Recommendation

Deficiency – The Firm's quality control policies and procedures do not require enough involvement of high level practitioners with a high degree of in-depth knowledge regarding reporting on audit engagements performed under *Government Auditing Standards*. We found Independent Auditors' Reports that were issued as qualified opinions rather than adverse opinions for townships that did not adopt *Government Accounting Standards Board Statement 34*. These reports were not in accordance with *Government Auditing Standards* and therefore deemed substandard. The Firm has subsequently contacted the appropriate users of the financial statements and informed them regarding this matter.

Recommendation – The Firm's quality control policies and procedures should be revised to provide additional involvement of executive level practitioners with a high degree of in-depth knowledge regarding reporting on audit engagements performed under *Government Auditing Standards*. This involvement should be required prior to the issuance of a report.

Rehmann Johnson