

December 14, 2022

School Board Members  
School District of Stanley Boyd  
507 E. First Ave  
Stanley, WI 54758

Dear School Board Members:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School District of Stanley Boyd Area (the "District") for the year ended June 30, 2022. Professional standards require that we provide you with the following information related to our audit:

**Our Responsibility Under Auditing Standards Generally Accepted in the United States and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and the State of Wisconsin Single Audit Guidelines**

As stated in our engagement letter dated April 25, 2022, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance and *State Single Audit Guidelines*.

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions was not an objective of our audit.

Also, in accordance with the Uniform Guidance and the *State Single Audit Guidelines*, we examined, on a test basis, evidence about the District's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* and the *State Single Audit Guidelines* applicable to each of its major federal and state programs for the purpose of expressing an opinion on the District's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the District's compliance with those requirements.

## **Planned Scope and Timing of the Audit**

We performed the audit according to the planned scope and timing previously communicated to your representative, Linda Klapperich, in our client assistance letter dated June 20, 2022, in addition to our engagement letter dated April 25, 2022, accepted by Jeff Koenig.

## **Significant Audit Matters**

### ***Qualitative Aspects of Accounting Practices***

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. GASB No. 87, *Leases*, was adopted in the current year. There were no changes to previously reported net position or fund balance as a result of the implementation.

We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the financial statements were as follows:

- The adequacy of the estimated asset for the net OPEB asset is subjective and contingent upon the methods and assumptions used in the actuarial study. We evaluated key factors and assumptions used to develop the asset for postemployment benefits in determining that they are reasonable in relation to the financial statements.
- The information used for the net pension liability (asset) and deferred outflows and inflows related to pensions for the Wisconsin Retirement System (WRS) were provided by WRS and audited by the plan auditor. We reviewed the independent auditor's report, evaluated the competence and independence of the plan auditor, and verified and recalculated the allocation percentage and the amounts allocated to the District for its proportional share of the WRS collective pension amounts.
- The District is required to capitalize and depreciate its capital assets. The District has to estimate the useful lives of these assets for the purposes of calculating depreciation. We reviewed the lives assigned to the assets in order to determine that depreciation expense on the assets is reasonable.

The disclosures in the financial statements are neutral, consistent, and clear.

### ***Difficulties Encountered in Performing the Audit***

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### ***Corrected and Uncorrected Misstatements***

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. We proposed and the District recorded five adjusting journal entries. Copies of the adjustments are available from management.

### ***Disagreements With Management***

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### ***Management Representations***

We have requested certain representations from management that are included in the management representation letter dated December 14, 2022, a copy of which accompanies this letter.

### ***Management Consultation With Other Independent Accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all of the relevant facts. To our knowledge, there were no such consultations with other accountants.

### ***Other Audit Findings or Issues***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition of our retention.

### **Internal Control Matters**

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Internal Control Matters (Continued)

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified one deficiency in internal control that we consider to be a material weakness and another deficiency that we consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiency in the District's internal control to be material weakness:

Financial Accounting and Reporting

Criteria – The District is responsible for reporting financial data reliably in accordance with accounting principles generally accepted in the United States (GAAP).

Condition – As part of our professional services for the year ended June 30, 2022, we were requested to draft the financial statements and accompanying notes to the financial statements.

Cause – The District does not expect, nor does it require, its financial staff to have the ability to prepare GAAP financial statements.

Effect – As a result of not having an individual trained in the preparation of GAAP basis financial statements, the completeness of the financial statement disclosures and the accuracy of the financial statement presentation are negatively impacted as outside auditors do not have the same comprehensive understanding of the District as its own management.

Recommendation – We recommend that management and those charged with governance continue to evaluate whether to accept the degree of risk associated with this condition because of cost or other considerations.

Management's Response – The District does not have the resources and staff to prepare the financial statements and notes but will continue to oversee the auditor's services and review and approve the financial statements and notes.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency in the District's internal control to be a significant deficiency:

### Segregation of Duties

Criteria – No one employee should have access to both physical assets and the related accounting records or to all phases of a transaction.

Condition – Incompatible functions are currently being performed by the same individual.

Cause – Limited staff available and inadequate compensating controls.

Effect – Decreased likelihood that unauthorized, false, or incorrectly coded transactions will be prevented or detected in a timely fashion, which may result in misstated financial statements.

Recommendation – We recommend that management and those charged with governance continue to evaluate whether to accept the degree of risk associated with this condition because of cost or other considerations.

Management’s Response – The District does not have the resources available to increase staff size and eliminate this internal control deficiency. The Board and management are aware of the incompatible duties and will continue to provide oversight and monitor the District’s operations. In addition, the Board reviews monthly cash disbursements for oversight.

### **Required Supplementary Information Accompanying Audited Financial Statements**

We applied certain limited procedures to the budgetary comparison schedule – General Fund, schedules of the employer’s proportionate share of the net pension liability (asset) and employer contributions – Wisconsin Retirement System, schedule of changes in the employer’s net OPEB asset and related ratios – District OPEB plan, schedule of employer contributions – District OPEB plan, and schedule of investment returns – District OPEB plan, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

### **Other Matters**

#### ***Supplementary Financial Information Accompanying Audited Financial Statements***

We were engaged to report on the schedules of expenditures of federal awards and state financial assistance, which accompany the financial statements but are not RSI. With respect to this supplementary financial information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary financial information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

***Other Information in Documents Containing Audited Financial Statements***

The auditor's responsibility for other information in documents containing audited financial statements does not extend beyond the financial information identified in our report, and we have no obligation to perform any procedures to corroborate other information contained in a document. Our responsibility is to read the other information and consider whether such information, or the manner of its presentation, is materially inconsistent with information, or the manner of its presentation, appearing in the financial statements. We are not aware of any documents or other information containing audited financial statements, and furthermore management has not requested us to devote attention to any documents containing audited financial statements.

In relation to the preceding paragraph, we remind District management of the following clause in the engagement letter:

If the District intends to reproduce or publish these financial statements, or any portion thereof whether in paper or electronic form subsequent to the anticipated year-end filings, and make reference to our firm name in connection therewith, management agrees to provide us with proofs in sufficient time for our review and written approval before printing. If in our professional judgment the circumstances require, we may withhold our approval. The District agrees to compensate Wipfli for the time associated with such review.

The most common situation that arises in which the above clause is applicable relates to including financial statements in official statements for debt issuance.

In addition, we have the following comments and suggestions:

OPEB Benefits –The District provides OPEB benefits to eligible retirees. In accordance with applicable standards, your District will be required to have a new actuarial study completed every two years for the OPEB plan and have the actuary update the study to roll the balances forward in the years a study is not done. As of June 30, 2022, the net OPEB asset for the District's OPEB plan is \$401.

Custodial Credit Risk – Occasionally the District's cash and cash equivalents maintained at financial institutions exceed insured amounts. Accounts at each institution within the state of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 for combined amount of all time and savings accounts (including NOW accounts) and \$250,000 for all demand deposit accounts (interest-bearing and non-interest-bearing). Accounts at each institution outside the state of Wisconsin are insured by the FDIC up to \$250,000 for the combined total of all deposit accounts. In addition, the State of Wisconsin Public Deposit Guarantee Fund guarantees the District's deposits for up to \$400,000 per public depository. Amounts on deposit at June 30, 2022, were in excess of these insured and guaranteed amounts by \$9,223,635. We recommend the District contact its financial institutions and obtain sufficient pledged collateral to protect the District's deposits.

**Other Matters (Continued)**

Financial Overview – General Fund revenues and other financing sources exceeded expenditures and other financing uses by \$123,752 for the year ended June 30, 2022. This leaves the District in the following General Fund equity position at June 30, 2022:

General Fund equity - June 30, 2021 (Budgetary Basis)	\$	2,482,433
Net change in fund balance (Budgetary Basis)		123,752
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General Fund equity - June 30, 2022 (Budgetary Basis)	\$	2,606,185

Under the government-wide financial perspective, the governmental activities' revenues exceeded expenses by \$2,520,715 for the year ended June 30, 2022. This leaves the District in the following net position at June 30, 2022

Government-wide net position - June 30, 2021	\$	20,822,381
Revenues over expenses		2,520,715
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Government-wide net position - June 30, 2022	\$	23,343,096

It should be noted, however, that only \$866,090 of the net position is unrestricted. The remainder of the net position is reported as restricted for specific programs or as a net investment in capital assets.

Cybersecurity Assessment

Cyber threats are growing and becoming more sophisticated. Local governments need strong detection and response capabilities in order to quickly identify threats and act on them before they turn into a breach. Thieves have gotten smarter and technology more complex. Throughout the news, we have seen a rise in local governmental ransomware and other coordinated attacks.

Rapidly changing IT environments call for security programs that stay on track, yet continually evolve. We highly recommend the District complete a cybersecurity risk assessment. Our experts can assess the District's controls for identifying, protecting, detecting, responding and recovering from such an event. Because the District has sensitive information for employees, and citizens, we recommend this evaluation.

School District of Stanley Boyd

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We appreciate the opportunity to be of service to School District of Stanley Boyd.

This communication is intended solely for the information and use of management, the School Board, and the State of Wisconsin Department of Public Instruction and includes a description of the scope of our testing of internal control over financial reporting and the results of that testing. The communication related to considering the District's internal control over financial reporting is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting. Accordingly, this communication is not suitable for any other purpose.

Sincerely,

/s/ Wipfli LLP

Wipfli LLP

Certified Public Accountants

Enclosure



December 14, 2022

Wipfli LLP  
4890 Owen Ayres Court, Suite 200  
Eau Claire, WI, 54701

This representation letter is provided in connection with your audit of the financial statements of the School District of Stanley Boyd (the "District"), which comprise the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information as of June 30, 2022, and the respective changes in financial position for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit:

#### **Financial Statements**

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated April 25, 2022, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
2. The financial statements referred to above are fairly presented in accordance with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by U.S. GAAP to be included in the financial reporting entity.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
6. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
7. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed. No events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements or in the schedule of findings and questioned costs.
8. We agree with the adjusting journal entries proposed by you and which are given effect to in the financial statements.
9. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
10. Material concentrations, if any, have been properly disclosed in accordance with U.S. GAAP.
11. Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed in accordance with U.S. GAAP.
12. We have implemented the new accounting standard, GASB Statement No. 87, Leases, during the audit period. We have implemented the new accounting standard in accordance with the transition guidance prescribed in the Statement. We have sufficient and appropriate documentation supporting all estimates and judgements underlying the amounts recorded and disclosed in the financial statements.
13. We accept responsibility for and have designated an individual with suitable skill, knowledge, or experience to oversee the following nonattest services
  - a. Data collection form preparation
  - b. GASB 87 implementation

## Information Provided

14. We have provided you with:
  - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
  - b. Additional information that you have requested from us for the purpose of the audit.
  - c. Unrestricted access to persons within the District from who you determined it necessary to obtain audit evidence.
  - d. Minutes of the meetings of the District Board or summaries of actions of recent meetings for which minutes have not yet prepared.
15. All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards and state financial assistance.
16. We have disclosed to you the results of our assessment of risk that the financial statements may be materially misstated as a result of fraud.
17. We have no knowledge of any fraud or suspected fraud that affects the District and involves:
  - a. Management,
  - b. Employees who have significant roles in internal control, or
  - c. Others where the fraud could have a material effect on the financial statements.
18. We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements communicated by employees, former employees, regulators, or others.
19. We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financials statements.
20. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
21. We have disclosed to you the identity of the District's related parties and all the related party relationships and transactions of which we are aware.

## Government-specific

22. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
23. We have a process to track the status of audit findings and recommendations.
24. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
25. We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
26. We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
27. We have no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
28. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
29. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
30. We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
31. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
32. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting noncompliance.

33. As part of your audit, you assisted with preparation of the financial statements and related notes, the schedule of expenditures of federal awards and state financial assistance, and the data collection form. We acknowledge our responsibility as it relates to those nonaudit services including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes and schedule of expenditures of federal awards and state financial assistance.
34. The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any material asset been pledged as collateral.
35. The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
36. We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
37. The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
38. The financial statements include all fiduciary activities required by GASBS. No. 84.
39. The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34.
40. All funds that meet the qualitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial users.
41. Components of net position (net investment in capital assets; restricted; and unrestricted) and components of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
42. Provisions for uncollectible receivables have been properly identified and recorded.
43. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
44. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.

45. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
46. Deposits and investment securities are properly classified as to risk, and investments are properly valued and disclosed.
47. Capital assets, are properly capitalized, reported, and, if applicable, depreciated.
48. We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available and have determined that net position was properly recognized under the policy.
49. Receivables recorded in the financial statements represent valid claims against debtors for transactions arising on or before the balance-sheet date and have been appropriately reduced to their estimated net realizable value.
50. We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one recourse classification is available. That policy determines the fund balance classifications for financial reporting purposes.
51. The District has identified all accounting estimates that could be material to the financial statements, including the key factors and significant assumptions underlying those estimates, and we believe the estimates are reasonable in the circumstances.
52. There are no estimates that may be subject to a material change in the near term that have not been properly disclosed in the financial statements. We understand that near term means the period within one year of the date of the financial statements. In addition, we have no knowledge of concentrations existing at the date of the financial statements that make the District vulnerable to the risk of severe impact that have not been properly disclosed in the financial statements.
53. We agree with the findings of specialists in evaluating the OPEB and pension liabilities (assets) and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.
54. We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial reporting are appropriate in the circumstances.
55. We are responsible for the management's discussion and analysis and have chosen not to present it, which will require modification to the auditor's opinion.

56. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
57. With respect to supplementary information which includes the schedules of expenditures of federal awards and state financial assistance:
- a. We acknowledge our responsibility for presenting the supplementary information in accordance with U.S. GAAP, and we believe the supplementary information, including its form and content, is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
  - b. If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon
58. With respect to federal and state award programs:
- a. We are responsible for understanding and complying with and have complied with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and *State of Wisconsin Single Audit Guidelines*, including requirements relating to preparation of the schedules of expenditures of federal awards and state financial assistance.
  - b. We acknowledge our responsibility for presenting the schedules of expenditures of federal awards and state financial assistance in accordance with the requirements of the Uniform Guidance and *State of Wisconsin Single Audit Guidelines*, and we believe the schedules of expenditures of federal awards and state financial assistance, including their form and content, are fairly presented in accordance with the Uniform Guidance and *State of Wisconsin Single Audit Guidelines*. The methods of measurement of the schedules of expenditures of federal awards and state financial assistance have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the schedules of expenditures of federal awards and state financial assistance.
  - c. If the schedules of expenditures of federal awards and state financial assistance is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the schedules of expenditures of federal awards and state financial assistance no later than the date we issue the schedules of expenditures of federal awards and state financial assistance and the auditor's report thereon.

- d. We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance and *State of Wisconsin Single Audit Guidelines*, and included in the schedules of expenditures of federal awards and state financial assistance expenditures made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
- e. We are responsible for understanding and complying with, and have complied with, the requirements of federal and state statutes, regulations, and the terms and conditions of federal and state awards related to each of our federal and state programs and have identified and disclosed to you the requirements of federal and state statutes, regulations, and the terms and conditions of federal and state awards that are considered to have a direct and material effect on each major federal and state program.
- f. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance requirements applicable to federal and state programs that provides reasonable assurance that we are managing our federal and state awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal and state programs. We believe the internal control system is adequate and is functioning as intended.
- g. We have made available to you all federal and state awards (including amendments, if any) and any other correspondence with federal and state agencies or pass-through entities relating to major federal and state programs and related activities.
- h. We have received no requests from a federal agency to audit one or more specific programs as a major program.
- i. We have complied with direct and material compliance requirements (except for items noted in 2022-003), including when applicable, those set forth in the OMB Compliance Supplement and *State of Wisconsin Single Audit Guidelines*, relating to federal and state awards and confirm that there were no amounts questioned and no known noncompliance with the direct and material compliance requirements of federal and state awards.
- j. We have disclosed any communications from federal and state awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- k. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.



- l. We have made available to you all documentation related to the compliance with the direct material compliance requirements, including information related to the general equalization aid program financial reports and claims for advances and reimbursements.
- m. Amounts claimed or used for matching were determined in accordance with relevant guidelines in the Uniform Guidance (2 CFR part 200, subpart E).
- n. We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- o. We have made available to you all documentation related to the compliance with the direct material compliance requirements, including information related to federal and state program financial reports and claims for advances and reimbursements.
- p. We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- q. There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- r. No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the period covered by the auditor's report.
- s. Program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- t. Federal and state program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- u. The copies of federal and state program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- v. We have charged costs to federal and state awards in accordance with applicable cost principles.
- w. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance and *State of Wisconsin Single Audit Guidelines*, and we have provided you with all information on the status of the follow-up on prior audit findings by federal and state awarding agencies and pass-through entities, including all management decisions.
- x. We are responsible for and have reviewed and approved the auditee section of the Data Collection Form as required by the Uniform Guidance.

- y. We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.
- z. We are responsible for preparing and implementing a corrective action plan for each audit finding.


Sincerely,

SCHOOL DISTRICT OF STANLEY BOYD



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Jeff Koerig, District Administrator



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Linda Klapperich, Finance Manager