

Kentuckiana Regional Planning and
Development Agency

Auditor's Communication

June 30, 2017

Firm Address: 702 North Shore Drive
Suite 500
Jeffersonville, Indiana 47130

Primary Contact: John C. Pieper, CPA
Partner
(812) 670-3402
john.pieper@mcmcpa.com





November 21, 2017

To the Board of Directors
Kentuckiana Regional Planning and Development Agency
11520 Commonwealth Drive
Louisville, KY 40299

Thank you for the opportunity to submit the following information related to our fiscal 2017 audit of Kentuckiana Regional Planning and Development Agency ("KIPDA"). The following summarizes required communications under professional standards and other matters that may be of interest or impact KIPDA in the future.

The following is a summary of the personnel that work on your engagement:

Name	Title	Phone	Email
John C. Pieper	Engagement Partner	(812) 670-3402	john.pieper@mcmcpa.com
John Hill	Concurring Partner	(502) 882-4381	john.hill@mcmcpa.com
Lee Ann Watters	Assurance Principal	(502) 783-2528	leeann.watters@mcmcpa.com
Megan Madden	Assurance Manager	(812) 670-3419	megan.madden@mcmcpa.com
Kim Atkins	Senior Assurance Associate	(812) 670-3473	kimberly.atkins@mcmcpa.com
Megan Fink	Assurance Associate	(812) 670-3437	megan.fink@mcmcpa.com
Laura Clements	Assurance Associate	(812) 670-3809	laura.clements@mcmcpa.com
Robert Rhea	Assurance Associate	(812) 670-3833	robert.rhea@mcmcpa.com

This communication is intended solely for the information and use of the Board of Directors and management, and is not intended to be and should not be used by anyone other than these specified parties.

Cordially,

Mountjoy Chilton Medley LLP
Certified Public Accountants

REQUIRED COMMUNICATIONS

We are required by Statement on Auditing Standards No. 114, *The Auditor's Communication with Those Charged with Governance* to communicate specific matters to those charged with governance. Professional standards require that we provide you with the following information related to our audit.

For purposes of SAS No. 114, "*those charged with governance*" means the person(s) with responsibility for overseeing the strategic direction of the entity and obligations related to the accountability of the entity, which includes overseeing the financial reporting process.

Auditor's Responsibilities under Generally Accepted Auditing Standards, *Government Auditing Standards*, and Single Audit Requirements

As stated in our engagement letter dated September 21, 2017, we are responsible for conducting our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS), *Government Auditing Standards* of the Comptroller General of the United States of America, the requirements of the Single Audit Act, as amended; and the provisions of the audit 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), for the purpose of forming and expressing opinions about whether the financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with accounting principles generally accepted in the United States of America, and on major federal award program compliance. Our audit of the financial statements and of major federal award programs does not relieve you or management of your responsibilities. The financial statements are the responsibility of management. Our audit was designed in accordance with the requirements noted above, which provides for reasonable, rather than absolute, assurance that the financial statements are free of material misstatement.

Our responsibility as it relates to the schedule of expenditures of federal awards is to evaluate its presentation for the purpose of forming and expressing an opinion as to whether it is presented fairly in all material respects in relation to the financial statements as a whole.

We are responsible for communicating significant matters related to the financial statement audit that are, in our professional judgment, relevant to the responsibilities of those overseeing the financial reporting process.

As a part of our audit, we obtained an understanding of internal control sufficient to plan our audit and to determine the nature, timing, and extent of testing performed, not to provide any assurance concerning such internal control.

In planning and performing our audit, we considered KIPDA's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the combined 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 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 Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

As a part of obtaining reasonable assurance about whether the combined financial statements are free of material misstatement, we performed tests of KIPDA's compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit.

REQUIRED COMMUNICATIONS (Continued)

Auditor's Responsibilities under Generally Accepted Auditing Standards, *Government Auditing Standards*, and Single Audit Requirements (Continued)

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

Planned Scope and Timing of the Audit

We were engaged to audit the statement of net position (deficit) of KIPDA as of June 30, 2017 and the related statements of revenues, expenses and changes in net position (deficit) and cash flows for the year then ended. We were also engaged to perform our audit in accordance with Uniform Guidance.

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter and discussed during informal meetings about planning matters.

Significant Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. Management drafted the financial statements and related disclosures. The significant accounting policies used by KIPDA are described in Note B to the financial statements.

Accounting Estimates

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 as well as assumptions about future events. Certain accounting estimates are particularly sensitive due to their significance to the financial statements and because the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were management's estimate of the collectability of receivables, which is based on review of individual receivables, management's estimate of the assignment of depreciable lives for long lived assets, which is based on the asset's estimated useful life, and the estimate of KIPDA's net pension liability, which is determined by an actuarial determined calculation (see Note I to the financial statements).

We evaluated the key factors and assumptions used to develop these estimates and determined they are reasonable in relation to the financial statements taken as a whole.

REQUIRED COMMUNICATIONS (Continued)

Financial Statement Disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were the disclosure of:

- Funder Receivables - Note E
- Funds to be Returned to Grantor Agencies - Note G
- Pension Plan - Note I

Audit Adjustments

Professional standards require us to accumulate all known adjustments identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There was one adjustment provided by management and communicated to us during the engagement. This adjustment was part of management's close-out process. There were no proposed adjustments for the 2017 audit.

For purposes of this communication, professional standards define an audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. An audit adjustment may or may not indicate matters that could have a significant effect on KIPDA's financial reporting process (that is, cause future financial statements to be materially misstated).

Disagreements with Management

For purposes of this summary, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the independent auditor's report.

We are pleased to report that no such disagreements arose during the course of our audit.

Management's Consultations with Other 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 KIPDA'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 the relevant facts.

To our knowledge, there were no such consultations with other accountants.

Issues Discussed Prior to Retention of Auditors

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

REQUIRED COMMUNICATIONS (Continued)

Difficulties Encountered in Performing the Audit

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

Fraud and Illegal Acts

During the conduct of our audit, we did not become aware of any fraud or illegal acts.

Internal Control Matters

During the conduct of our audit, we did not become aware of any material weaknesses, the definition of which 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.

Representations Requested from Management

The representations requested from management are stated in KIPDA's management representation letter dated November 21, 2017 (see a copy of the management representation letter at Exhibit A).

Other Matters

With respect to the required supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, 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 required supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

INTERNAL CONTROLS AND SUGGESTIONS FOR IMPROVEMENT

In planning and performing our audit of the consolidated financial statements of KIPDA for the year ended June 30, 2017, in accordance with auditing standards generally accepted in the United States of America, we considered KIPDA's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the KIPDA's internal control. Accordingly, we do not express an opinion on the effectiveness of KIPDA's internal control.

We have classified items reported below as follows:

Business Point - An issue or suggestion you may find important or of interest.

Control Deficiency - A control deficiency 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.

Significant Deficiency - A significant deficiency is a deficiency, or combination of control deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Material Weakness - 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.

Uniform Guidance Procurement Standards	Business Point
Observation:	The Uniform Guidance requires organizations to implement new procurement requirements which are detailed in 2 CFR 200.318. The Uniform Guidance provides a grace period for implementing the new standards which has been extended and will apply to fiscal years beginning on or after December 26, 2017. In addition, organizations that choose to utilize the extension must document this decision.
Recommendation:	We recommend KIPDA review the procurement requirements in 2 CFR 200.318 and update the policy to be in compliance by the effective date of July 1, 2018. In addition, KIPDA needs to document its decision to utilize the extension.
Management Response:	Management of KIPDA is aware of the procurement requirements as contained in the Uniform Guidance and will comply.

EXHIBIT A (Management Representation Letter)



November 21, 2017

Mountjoy Chilton Medley LLP
702 North Shore Drive, Suite 500
Jeffersonville, IN 47130

Kentucky
Member
Counties

This representation letter is provided in connection with your audit of the basic financial statements of Kentucky Regional Planning and Development Agency ("KIPDA"), which comprise the respective net position (deficit) of the business-type activities, as of June 30, 2017, and the respective revenues, expenses and changes in net position (deficit) and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the basic financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Bullitt

Henry

Jefferson

Oldham

Shelby

Spencer

Trimble

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.

We confirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of November 21, 2017.

Indiana
Member
Counties

Financial Statements

Clark

Floyd

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated September 21, 2017 including our responsibility for the preparation and fair presentation of the financial statements and for preparation of the supplementary information in accordance with U.S. GAAP.
- 2) 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.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 4) We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- 5) We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- 6) We have a process to track the status of audit findings and recommendations, if any.
- 7) We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 8) Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Equal
Opportunity
Employer

11520 Commonwealth Drive
Louisville, KY 40299
502-263-6084
FAX 502-263-5047
KY TDD 1-800-648-6088
www.kipda.org



Metropolitan Planning Organization

Kentucky Designated Area Agency on Aging

EXHIBIT A (Management Representation Letter) (Continued)

Financial Statements (Continued)

- 9) Related party relationships and transactions, if any, have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- 10) Deposit and investment risks have been properly and fully disclosed.
- 11) Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- 12) All required supplementary information is measured and presented within the prescribed guidelines.
- 13) 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.
- 14) We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
- 15) Provisions for uncollectible receivables have been properly identified and recorded.
- 16) Expenses have been appropriately classified in or allocated to functions and programs in the statement of revenues, expenses and changes in net position (deficit), and allocations have been made on a reasonable basis.
- 17) Revenues are appropriately classified in the statement of revenues, expenses and changes in net position (deficit) within program revenues and general revenues.

Information Provided

- 18) 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 finding sources.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within KIPDA from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 19) 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.
- 20) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 21) We have no knowledge of any fraud or suspected fraud that affects KIPDA 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.
- 22) We have no knowledge of any allegations of fraud or suspected fraud affecting KIPDA's financial statements communicated by employees, former employees, regulators, or others.
- 23) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 24) We have disclosed, if any, to you the identity of KIPDA's related parties and all the related party relationships and transactions of which we are aware.
- 25) 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 financial statements.
- 26) There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.

EXHIBIT A (Management Representation Letter) (Continued)

Information Provided (Continued)

- 27) KIPDA has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- 28) We have disclosed to you all guarantees, whether written or oral, under which KIPDA is contingently liable.
- 29) We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the entity will make a payment on any guarantee.
- 30) We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- 31) We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- 32) There are no:
 - a) Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - b) Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
 - c) Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62
- 33) KIPDA has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral.
- 34) We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 35) 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.
- 36) We believe that the actuarial assumptions and methods used to measure pension liabilities and costs for financial accounting purposes are appropriate in the circumstances.
- 37) We have not completed the process of evaluating the impact that will result from adopting Governmental Accounting Standards Board (GASB) Statement No. 75 and Statement No. 87, as discussed in Note M. KIPDA is therefore unable to disclose the impact that adopting GASB Statement No. 75 and Statement No. 87 will have on its financial position and the results of its operations when the Statements are adopted.
- 38) We have recorded the amount of the pension liability and related deferred inflows and outflows of resources and pension expense from the actuarial report prepared for the Kentucky Retirement System. These amounts have been recorded utilizing the actuarial assumptions and methods established by the KRS in conjunction with their actuaries which appear reasonable and consistent with prior years.

EXHIBIT A (Management Representation Letter) (Continued)

Information Provided (Continued)

39) With respect to the schedules of program activities, the schedule of indirect expenses and the schedule of local cash contributions (Schedules):

- a) We acknowledge our responsibility for presenting the Schedules in accordance with accounting principles generally accepted in the United States of America, and we believe the Schedules, including their form and content, are fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the Schedules 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 Schedules are 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.

40) With respect to federal award programs:

- a) We are responsible for understanding and complying with and have complied with the requirements of Title 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (the Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards, and we acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFA) in accordance with the requirements of the Uniform Guidance and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.
- b) If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon.
- c) We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance, and included in the SEFA made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
- d) We are responsible for understanding and complying with, and have complied with, the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal programs and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major program.
- e) We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance requirements applicable to federal programs that provides reasonable assurance that we are managing our federal awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.
- f) We have made available to you all contracts and grant agreements (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
- g) We have received no requests from a federal agency to audit one or more specific programs as a major program.
- h) We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you, if any), including when applicable, those set forth in the *OMB Compliance Supplement*, relating to federal awards and have identified and disclosed to you all amounts questioned and all known noncompliance with the requirements of federal awards.

EXHIBIT A (Management Representation Letter) (Continued)


Information Provided (Continued)

- l) We have disclosed any communications from grantors 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.
- j) 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.
- k) Amounts claimed or used for matching were determined in accordance with relevant guidelines in the Uniform Guidance.
- i) We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- m) We have made available to you all documentation related to compliance with the direct material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- n) 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.
- o) 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.
- p) 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 in internal control over compliance (including material weaknesses in internal control over compliance), subsequent to the date as of which compliance was audited.
- q) Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- r) The copies of federal 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.
- s) We have monitored subrecipients to determine that they have expended pass-through assistance in accordance with applicable laws and regulations and have met the requirements of the Uniform Guidance.
- t) We have taken appropriate action, including issuing management decisions, on a timely basis after receipt of subrecipients' auditor's reports that identified noncompliance with laws, regulations, or the provisions of contracts or grant agreements and have ensured that subrecipients have taken the appropriate and timely corrective action on findings.
- u) We have considered the results of subrecipient audits and have made any necessary adjustments to our books and records.
- v) We have charged costs to federal 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 we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions. There were no prior year audit findings.
- x) We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.
- y) We are responsible for preparing and implementing a corrective action plan for each audit finding. No corrective action plan was required.

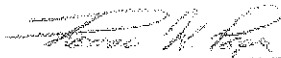
EXHIBIT A (Management Representation Letter) (Continued)

Information Provided (Continued)

- 2) We have disclosed to you all contracts or other agreements with service organizations, and we have disclosed to you all communications from the service organizations relating to noncompliance at the service organizations.



Jack Couch
Executive Director



Thomas Pope
CFO