

Elbert County, Colorado



Report to Governance



for the year ended
December 31, 2017

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Introduction

Board of County Commissioners
Elbert County, Colorado
Kiowa, Colorado

We are pleased to have the opportunity to present to you the results of our audit engagement of Elbert County, Colorado (the County), for the year ended December 31, 2017. The accompanying report presents information regarding the scope of our audits and other matters, which summarizes the results of our audit engagements.

We thank you for the opportunity to be of continued service to the County. We have received excellent cooperation and assistance from both management and staff with respect to access to records, supporting documentation and responses to inquiries. No limitations were placed upon our ability to perform the audit.

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

Staff Introductions

Elbert County, Colorado



Matthew Marino is a Partner in RubinBrown's Public Sector Group. For the County, he is responsible for the following:

- Authorizing the issuance of the financial statement and Uniform Guidance audit report letters
- Ensuring quality and client satisfaction
- Overseeing engagement execution



Rosie Adams-Grote is a Manager in RubinBrown's Public Sector Group. For the County, she is responsible for the following:

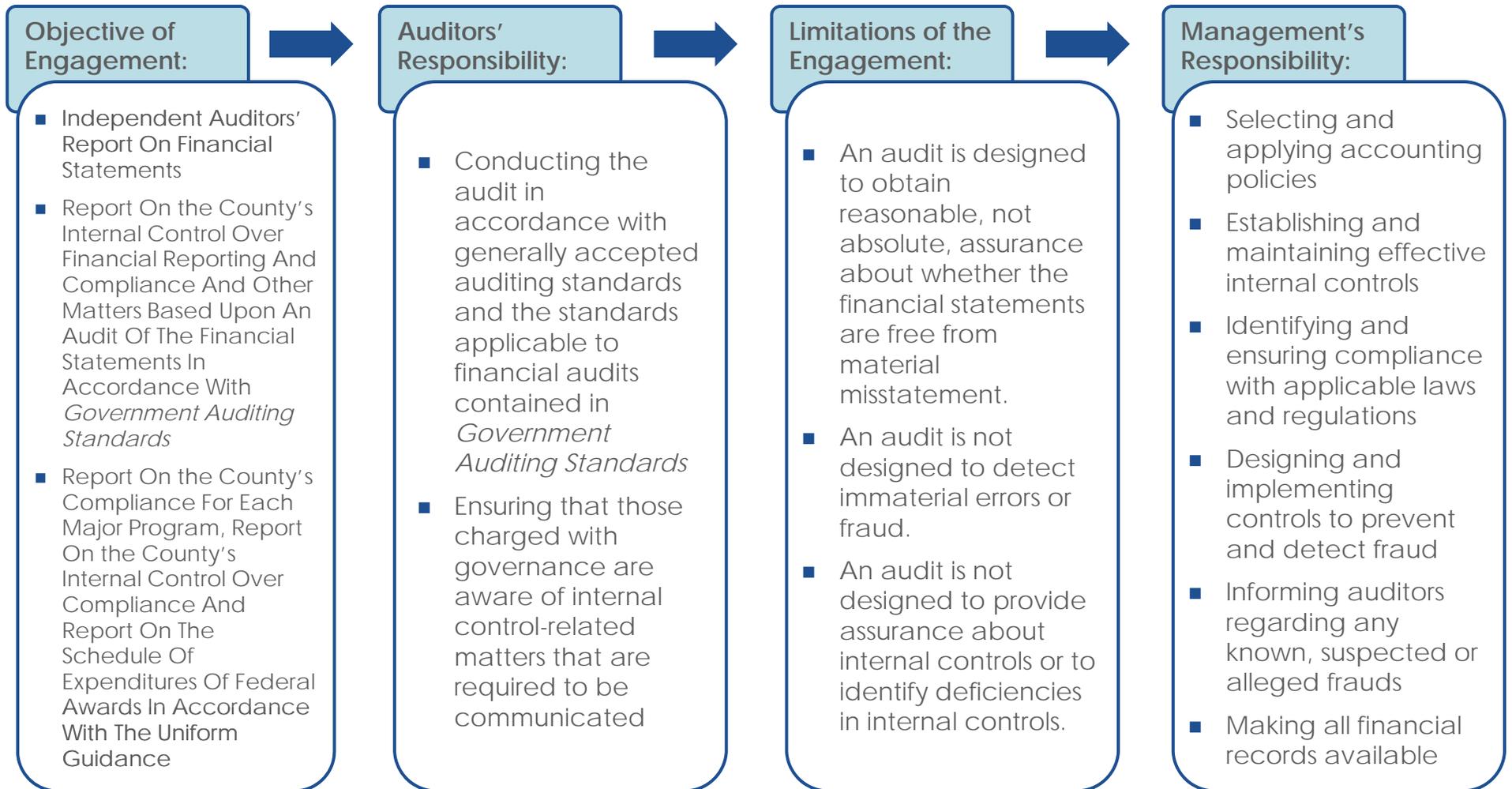
- Overall engagement management, status reporting and communication
- Developing and overseeing the execution of the audit plan
- Providing training services and industry updates



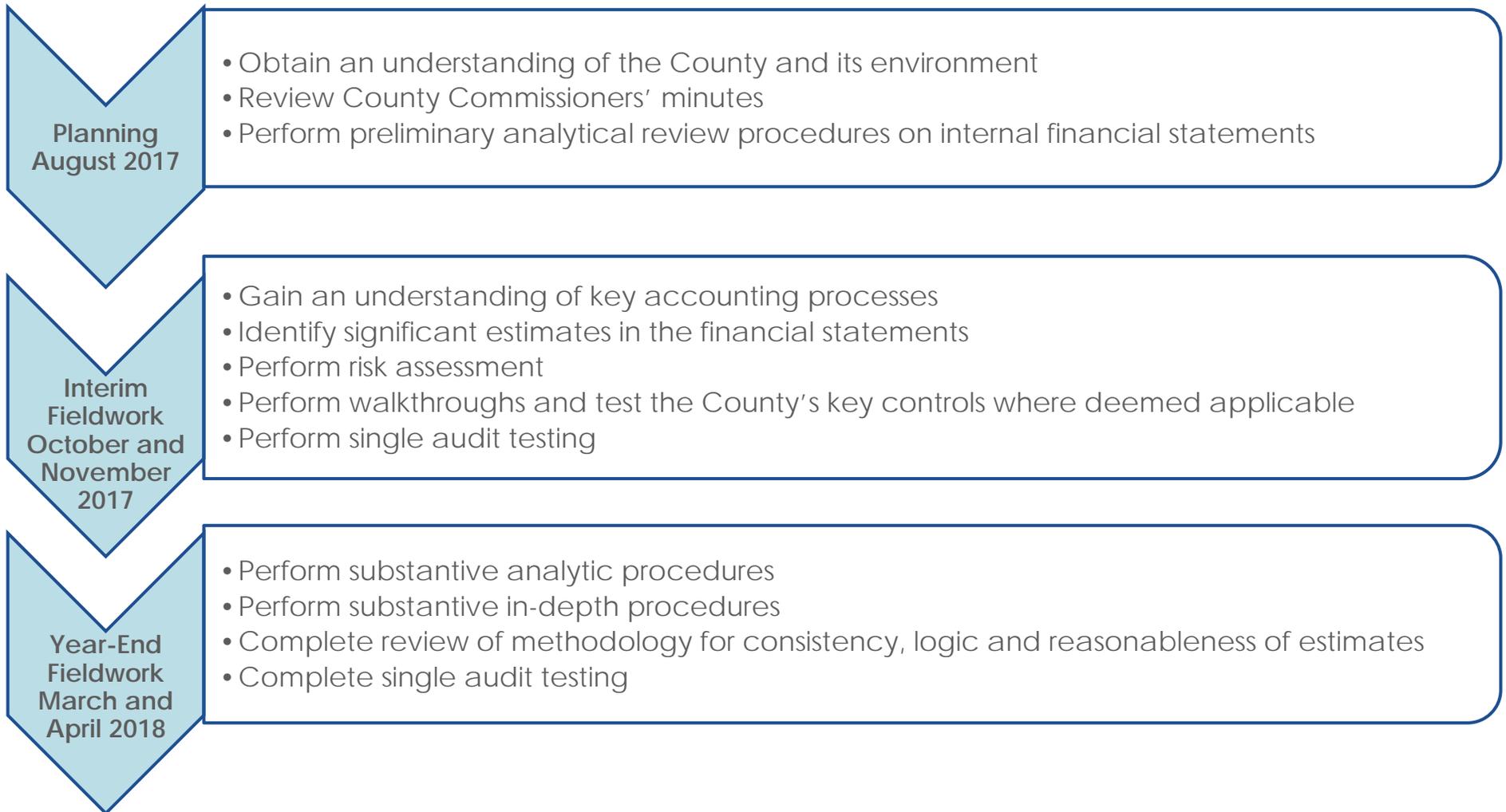
Rodney Rice is a Partner in RubinBrown's Public Sector Group and leader of the Denver office's Assurance Services Group. For the County, he is responsible for the following:

- Quality control review
- Secondary partner review
- Technical topic consultations

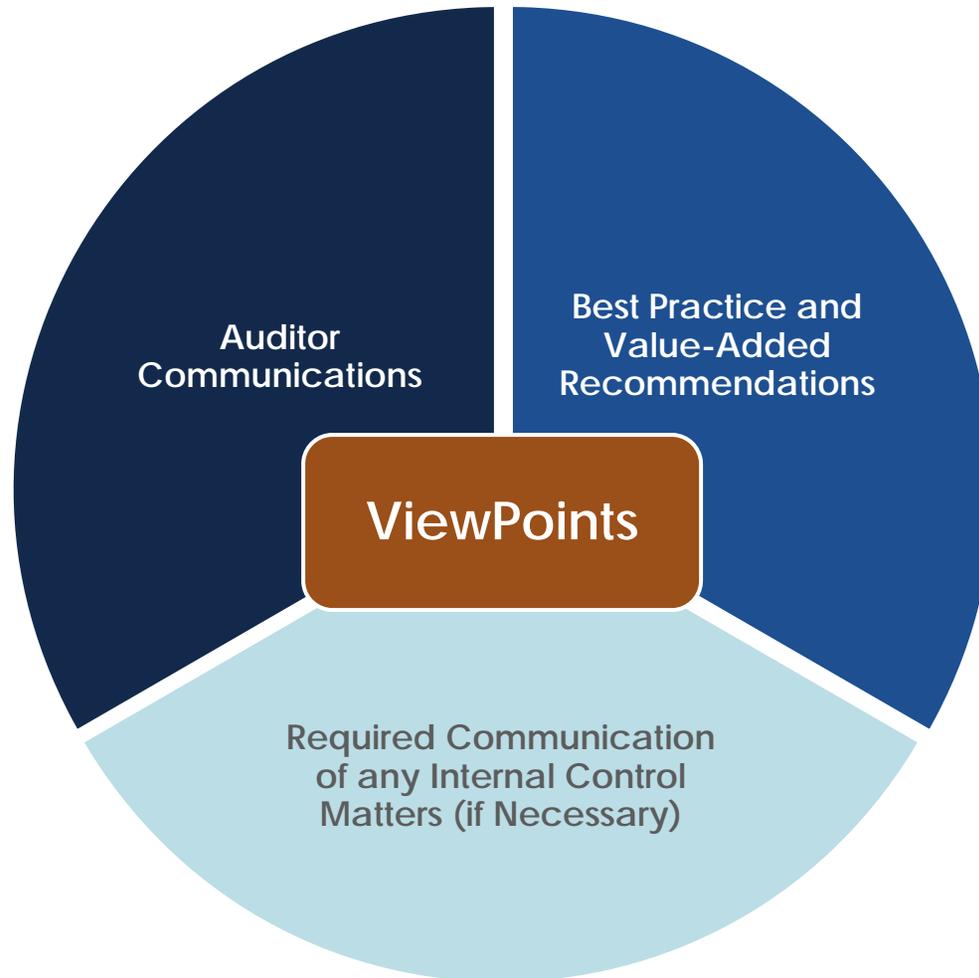
Objective And Scope Of Services



Audit Process



Other Audit Deliverables



Auditor Communications

We have audited the basic financial statements of the County for the year ended December 31, 2017. Our audit was performed in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement and presented in accordance with accounting principles generally accepted in the United States of America. Our audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. We also assessed the accounting principles used by the County and the reasonableness of significant estimates made by the County's management, as well as evaluated the overall financial statement presentation.

Auditing standards require the auditor to ensure that those charged with governance receive additional information regarding the scope and results of the audit that may assist the governing body in overseeing the financial reporting and disclosure process for which management is responsible. The following section describes matters which are required to be reported to you.

Auditor Communications *(Continued)*

AREA	COMMENTS
<p>Our Responsibility Under U.S. Generally Accepted Auditing Standards, <i>Government Auditing Standards</i> And The Uniform Guidance</p> <p>Our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with our assistance are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and whether the County complied in all material respects with the applicable compliance requirements of its major federal programs. Our audit of the financial statements and compliance does not relieve you or management of responsibility for the accuracy of the financial statements and/or compliance with applicable requirements.</p>	<p>Reports issued by RubinBrown:</p> <ul style="list-style-type: none"> ■ Unmodified report on the County’s financial statements based upon an audit of the financial statements in accordance with auditing standards generally accepted in the United States of America and <i>Government Auditing Standards</i> ■ A report on the County’s internal control over financial reporting and compliance and other matters based upon an audit of the financial statements in accordance with <i>Government Auditing Standards</i> ■ A unmodified report on the County’s compliance for each major federal expenditures program and a report on internal control over compliance and report on the schedule of expenditures of federal awards in accordance with the Uniform Guidance

Auditor Communications *(Continued)*

AREA	COMMENTS
Other Information In Documents Containing Audited Financial Statements	None
Planned Scope And Timing Of The Audit	We performed the audit according to the planned scope and timing communicated in our letter dated December 4, 2017 regarding the timing and extent of our audit procedures.
Qualitative Aspects Of Accounting Practices 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.	<ul style="list-style-type: none"> ■ Significant accounting policies are described in Note 2 to the financial statements. ■ No new accounting policies were adopted, and the application of existing policies was not changed. ■ We noted no transactions entered into during the year for which there was a lack of authoritative guidance or consensus. ■ No significant transactions have been recognized in a different period than when the transactions occurred.

Auditor Communications *(Continued)*

AREA	COMMENTS
<p>Management Judgments And Accounting Estimates</p> <p>The preparation of the financial statements requires the use of accounting estimates. Certain estimates are particularly sensitive due to their significance to the financial statements and the possibility that future events may differ significantly from management’s expectations.</p>	<p>We evaluated the key factors and assumptions used to develop estimates in determining that they are reasonable in relation to the financial statements taken as a whole. The most sensitive estimate affecting the financial statements is:</p> <ul style="list-style-type: none"> ■ Management’s estimate of depreciation which is based upon estimated useful lives of capital assets
<p>Financial Statement Disclosures</p>	<p>The disclosures are neutral, consistent and clear. Certain disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements are:</p> <ul style="list-style-type: none"> ■ The disclosure of investments in Note 3 ■ The disclosure of capital assets in Note 4 ■ The disclosure of long-term debt obligations in Note 5 ■ The disclosure of commitments and contingencies in Note 9

Auditor Communications *(Continued)*

AREA	COMMENTS
Difficulties Encountered In Performing The Audit	There were no difficulties encountered in dealing with management related to the performance of the audit.
Corrected And Uncorrected Misstatements	<p>No material audit adjustments were proposed as a result of the audit. We did record some management proposed adjustments. See the Adjusting Journal Entries Report attached in Appendix A.</p> <p>We have accumulated uncorrected misstatements that management has determined are not material, both individually and in the aggregate, to the financial statements taken as a whole. See the Passed Journal Entries Report attached in Appendix B.</p>
Disagreements With Management	None
Management Representations	Management representation letter received dated June 18, 2018, which is attached in Appendix C
Management Consultations With Other Independent Accountants	None
Other Audit Findings Or Issues	There were no matters of significant discussion that affected our election as the County's auditors.

Auditor Communications *(Continued)*

AREA	COMMENTS
Other Matters (Supplementary Information)	<p>With respect to the supplementary information (combining and individual fund financial statements and schedules, the schedule of expenditures of federal awards and the Local Highway Finance Report) accompanying the financial statements:</p> <ul style="list-style-type: none">■ 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.■ The information is appropriate and complete in relation to our audit of the financial statements.■ We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Observations And Suggestions

The observations and suggestions below were made during the 2017 audits of the County. The comments are suggestions and observations to improve County operations and controls or increase the effectiveness or efficiency of County functions.

Capital Assets And Infrastructure

It was noted during the year that some parcels of land, relating primarily to easements and rights of way, that were previously contributed to the County over many years were not specifically identified in County capital asset records. The assets were previously grouped together into several gross asset values or may have been omitted in error. We recommend that the County complete the in-process project of identifying parcels of County-owned property and allocation of existing values to individual parcels of land and adjust capital asset records accordingly.

Segregation Of Duties/Cross Training

While the County Management and the Board of County Commissioners are regularly involved in County operations providing additional oversight and monitoring, we recommend the County continue to evaluate all County operations to identify and limit the crossover of the authorization, custody of assets, recording and control procedure elements of County processes within all County departments. Additionally, we recommend that the County continue to evaluate additional areas requiring cross-training and compensating controls such regular internal reviews of processes and available resources.

Formal Performance Reviews

We recommend that all County employees have a documented annual performance review completed to document important feedback and performance measures. Formal performance evaluation are an important tool in improving performance within an organization.

Significant Accomplishments Of The County For 2017

Elbert County, Colorado

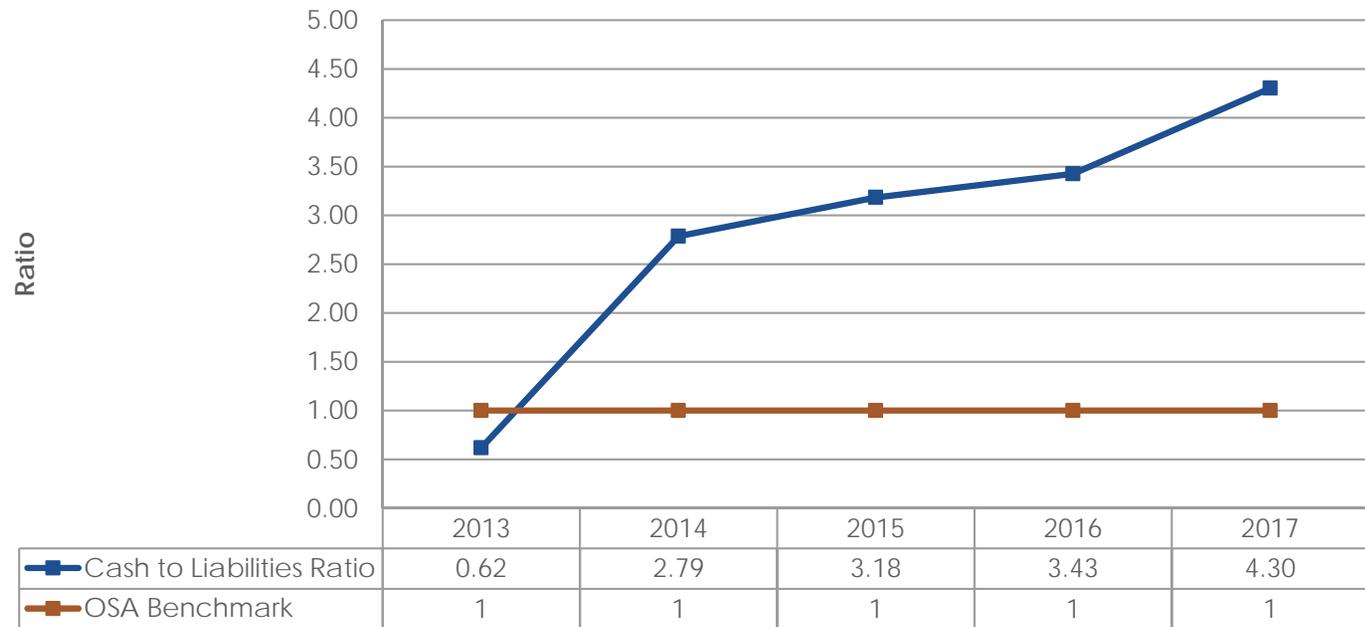
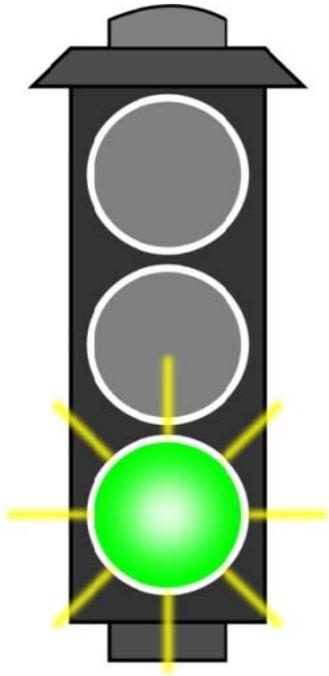
- Year-end fieldwork was conducted in late March and early April, approximately one month earlier than the prior year.
- Both the financial statement and single audit engagements were finalized by June 30th, which is earlier than in prior years.
- New County Manager, October 2017
- Commitment of fund balance of approximately \$3.2 million for stabilization

Fiscal Health Information

The Office of the State Auditor (OSA) issued the *Fiscal Health Analysis for Colorado Counties and Municipalities* in October 2013. The fiscal health analysis **developed by the Local Government Audit Division of OSA** is a set of financial ratios that can be applied to county or municipality financial statements,. OSA developed these ratios based on ratios used by major governmental finance organizations. Financial indicators within these ratios can provide information to assist the County in identifying areas for further examination and, if needed, action can be taken by the appropriate parties.

- OSA developed the following seven ratios:
 1. Cash to liabilities
 2. Unrestricted fund balance
 3. Debt burden
 4. Tax revenue per capita
 5. Expenditures per capita
 6. Operating margin
 7. Enterprise funds net position
- We have included three of the ratios that could be applicable to the County's financial statements.

Fiscal Health Information: Cash To Liabilities Ratio

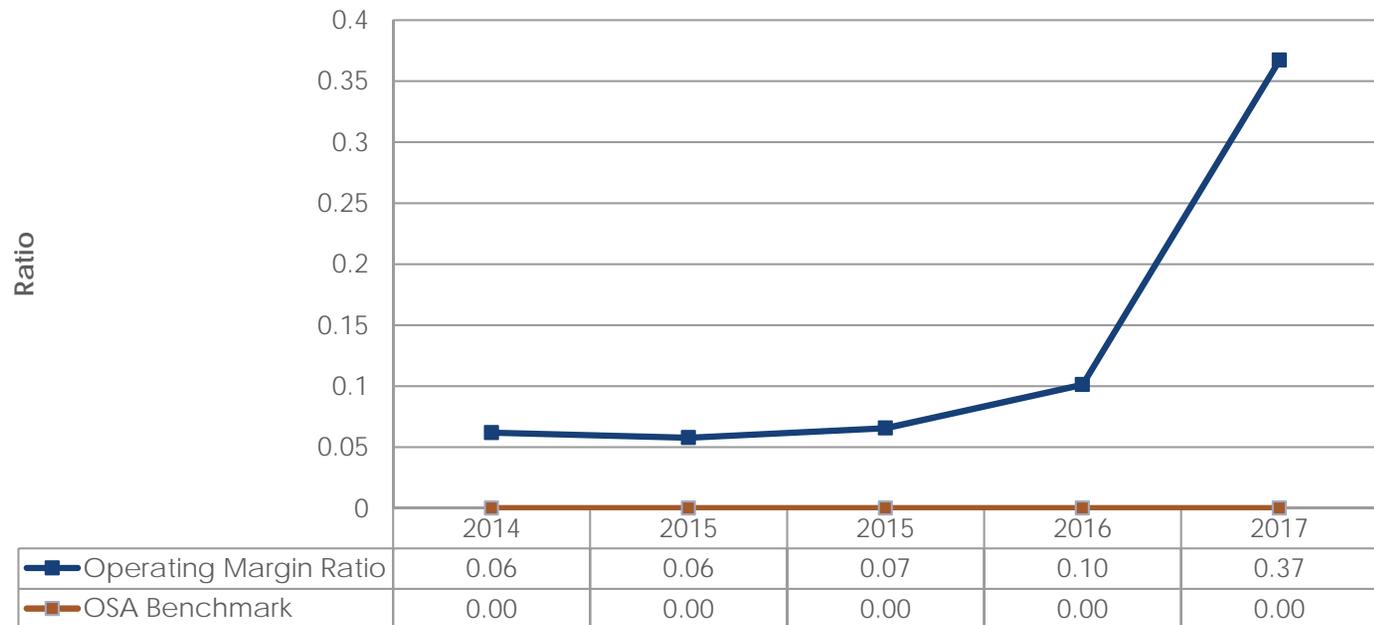
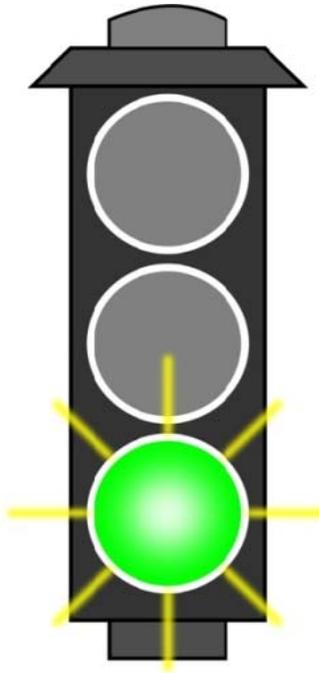


Cash To Liabilities Ratio

- Indicator as to whether the government has enough cash to pay off current liabilities. The numeric benchmark for this ratio is 1.0.
- A ratio less than 1.0 is an indication that the government does not have enough cash to pay off current liabilities.

Fiscal Health Information: General Fund Operating Margin Ratio

Elbert County, Colorado

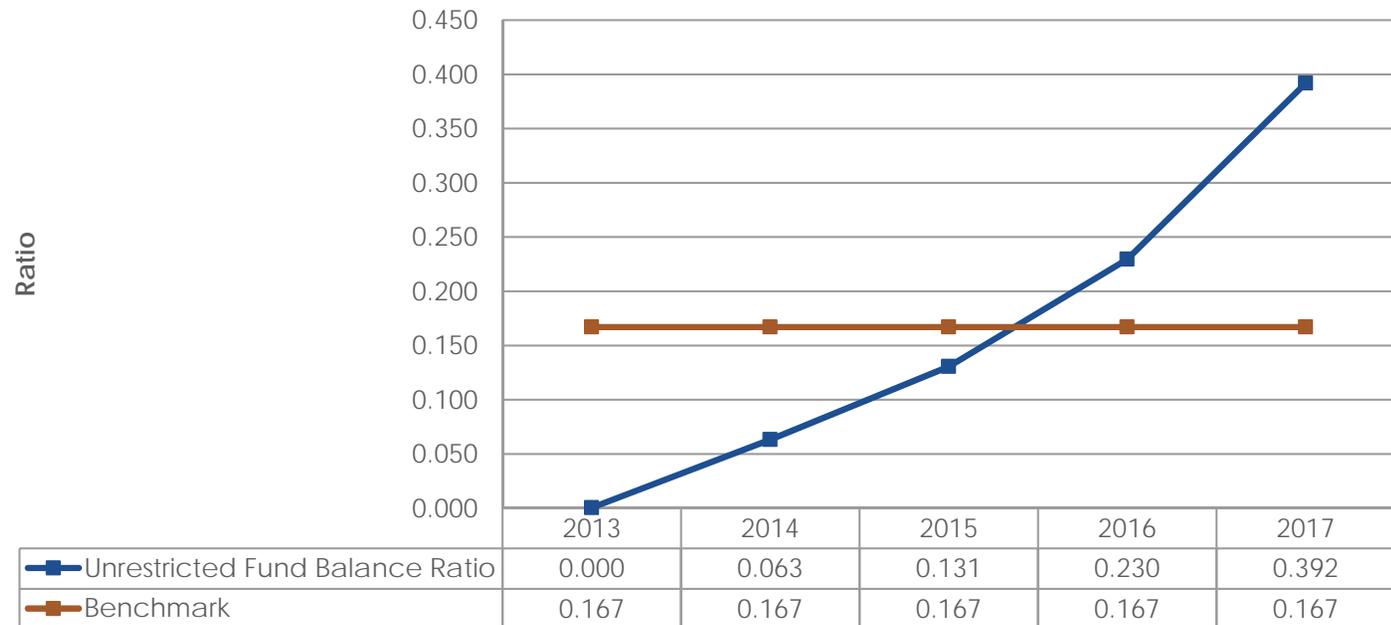
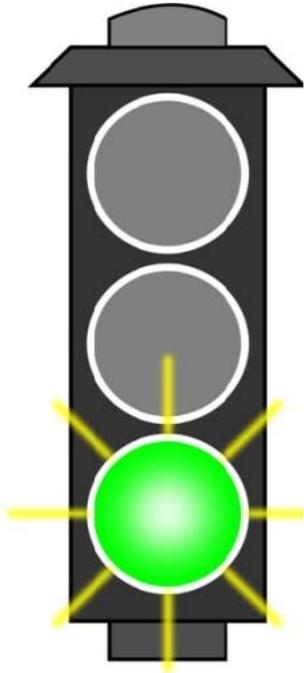


General Fund Operating Margin Ratio

- An operating margin of less than 0.0 is an indication that a government has more expenditures than revenues.

Fiscal Health Information: General Fund Unrestricted Fund Balance Ratio

Elbert County, Colorado



General Fund Unrestricted Fund Balance Ratio

- An unrestricted fund balance ratio of less than 0.167 would indicate that a government may not have enough unrestricted fund balance to pay two months of expenditures if a loss of revenue inflows occurred.

Foresights - Financial Accounting And Reporting

Elbert County, Colorado

- Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Funds*
 - Effective for 2018 year end
 - Establishes specific criteria for identifying activities that should be reported as fiduciary activities and clarifying whether and how business-type activities should report their fiduciary activities
 - Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position.
- GASB Statement No. 87, *Leases*
 - Effective for 2020 year end
 - Establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset
 - Application of this standard would go beyond the previous guidance related to recording of leased assets and record additional leased items on the books as intangible right-to-use assets and related liabilities.



Independent Auditors' Report On Additional Information

Elbert County, Colorado

Our report on our audit of the basic financial statements of the County for December 31, 2017 appears in the financial statements of the County. That audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information in this document has been presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on it.

RubinBrown LLP

June 18, 2018

Appendix A

Adjusting Journal Entries Report And Client Proposed Entries

Client: **33066.0000 - Elbert County**
 Engagement: **2017 AUD - Elbert County**
 Period Ending: **12/31/2017**
 Trial Balance: **3000 - Government Fund Trial Balance**
 Workpaper: **3001.1 - Combined Journal Entries Report**
 Fund Level: **All**
 Index: **All**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Fund: 010	General Fund			
Adjusting Journal Entries JE # 2				
	PBC Entry - To record the DA's share of the MJ Blak & Gray Grant	3031		
010-211-5251	Reimbursements		207,973.00	
010-000-2100	Accounts Payable			207,973.00
Total			207,973.00	207,973.00
Fund: 010	Adjusting Journal Entries		207,973.00	207,973.00
Fund: 050	Human Services Fund			
Adjusting Journal Entries JE # 1				
	PBC Entry - To record adjustment for EBT Revenue/Payments	3030		
050-000-4333	EBT REVENUE		100,000.00	
050-000-5333	EBT PAYMENTS			100,000.00
Total			100,000.00	100,000.00
Fund: 050	Adjusting Journal Entries		100,000.00	100,000.00
All Funds	Total Adjusting Journal Entries		307,973.00	307,973.00
All Funds	All Journal Entries		307,973.00	307,973.00

Appendix B

Passed Journal Entries Report

Client: **33066.0000 - Elbert County**
 Engagement: **2017 AUD - Elbert County**
 Period Ending: **12/31/2017**
 Trial Balance: **3000 - Government Fund Trial Balance**
 Workpaper: **3001.3 - Combined Passed Journal Entries Report**
 Fund Level: **All**
 Index: **All**

Account	Description	W/P Ref	Debit	Credit
All Funds	All Journal Entries		<u>0.00</u>	<u>0.00</u>
Government Wide	Capital Assets		\$ 528,338	
	Net Position			\$ 528,338

Appendix C

Management Representation Letter



ELBERT COUNTY GOVERNMENT

Finance Department
Office 303-621-3138 Fax 303-621-2343
PO Box 7, 215 Comanche St, Kiowa, CO, 80117

June 18, 2018

RubinBrown LLP
1900 16th Street
Suite 300
Denver, CO 80202

We are providing this letter in connection with your audit of the financial statements of Elbert County, Colorado (the County) as of December 31, 2017 and for the year then ended for the purpose of expressing opinions as to whether the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Elbert County, Colorado and the respective changes in financial position in conformity with U.S. generally accepted accounting principles. We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with U.S. generally accepted accounting principles.

We understand we are responsible for management decisions and functions, for designating a qualified employee to oversee any nonattest services you provide, for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

We confirm, to the best of our knowledge and belief the following representations made to you during your audit.

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter.
2. The financial statements referred to above are fairly presented in conformity with U.S. generally accepted accounting principles and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles 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 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 require 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. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
9. Guarantees, whether written or oral, under which the County is contingently liable, if any, have been properly recorded or disclosed.
10. 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.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of the Board of County Commissioners or summaries of actions of recent meetings for which minutes have not yet been prepared.
11. 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.
12. 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.
13. We have no knowledge of any fraud or suspected fraud that affects the entity 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.
14. We have no knowledge of any allegations of fraud or suspected fraud affecting the County's financial statements communicated by employees, former employees, regulators, or others.
15. We have disclosed to you all known 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.
16. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
17. We have disclosed to you the identity of the County's related parties and all the related party relationships and transactions of which we are aware.
18. We have made available to you all financial records and related data.
19. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
20. We have taken timely and appropriate steps to remedy fraud, violations of laws, regulations, contracts, or grant agreements, or abuse, if any, that you have reported to us.
21. We have a process to track the status of audit findings and recommendations.
22. 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.

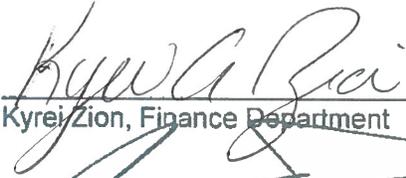
23. We have provided our views on reported findings, conclusions, and recommendations, as well as our corrective action plans, for the report.
24. The County has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
25. We are responsible 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 we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
26. 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 on noncompliance.
27. The County has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
28. We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
29. The County has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
30. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
31. The financial statements properly classify all funds and activities.
32. All funds that meet the quantitative 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 statement users.
33. Components of net assets (net investment in capital assets; restricted; and unrestricted) and equity amounts are properly classified and, if applicable, approved.
34. Investments, derivative instruments, and land and other real estate held by endowments, if any, are properly valued.
35. Provisions for uncollectible receivables have been properly identified and recorded.
36. 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.
37. 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.
38. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
39. Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
40. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and depreciated.

41. We have appropriately disclosed the County'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 assets are available and have determined that net assets were properly recognized under the policy.
42. 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.
43. With respect to the Combining Statement of Revenues, Expenditures, and Changes in Fund Balance, Local Highway Finance Report, and Schedule of Expenditures of Federal Awards:
 - a. We acknowledge our responsibility for presenting the supplementary information consisting of Combining Statements of Revenues, Expenditures, and Changes in Fund Balance and the Local Highway Finance Report (SI) in accordance with accounting principles generally accepted in the United States of America, and we believe the SI, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the SI 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 Combining Statements of Revenues, Expenditures, and Changes in Fund Balance and the Local Highway Finance Report 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 auditors' report thereon.
44. With respect to federal award programs:
 - a. We are responsible for understanding and complying with and have complied with the requirements of Uniform Guidance, including requirements relating to preparation of the schedule of expenditures of federal awards (SEFA).
 - b. We acknowledge our responsibility for presenting the 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 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.
 - c. 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 auditors' report thereon.
 - d. 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.

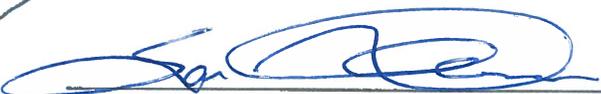
- e. We are responsible for understanding and complying with, and have complied with, the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal programs and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major program.
- f. 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.
- g. 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.
- 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 the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the Uniform Guidance 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.
- j. 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 auditors' 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 auditors' report.
- l. 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 auditors' 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), have occurred 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 charged costs to federal awards in accordance with applicable cost principles.
 - t. 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.
 - u. We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.
 - v. We are responsible for preparing and implementing a corrective action plan for each audit finding.
 - w. Amounts claimed or used for matching were determined in accordance with relevant guidelines in the Uniform Guidance and OMB's Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments .
 - x. 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.
45. We have evaluated and classified any subsequent events as recognized or nonrecognized through the date of this letter. 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.
46. The effects of uncorrected misstatements are immaterial both individually and in the aggregate, to the financial statements for each opinion unit. A list of the uncorrected misstatements is attached to this management representation letter.


Kyrei Zion, Finance Department


James Rae, Outsourced Accounting Manager


Sam Albrecht, County Manager