

SCHOOL DISTRICT OF THORP

Thorp, Wisconsin

COMMUNICATION TO THOSE CHARGED
WITH GOVERNANCE AND MANAGEMENT

As of and for the Year Ended June 30, 2019

SCHOOL DISTRICT OF THORP

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**REQUIRED COMMUNICATION OF INTERNAL CONTROL RELATED MATTERS
IDENTIFIED IN THE AUDIT TO THOSE CHARGED WITH GOVERNANCE**

To the Board of Education
School District of Thorp
Thorp, Wisconsin

In planning and performing our audit of the financial statements of the School District of Thorp (District) as of and for the year ended June 30, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control over financial reporting (internal control) as a basis for designing our auditing 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 its internal control. Accordingly, we do not express an opinion on the effectiveness of its internal control.

Our consideration of the 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 certain deficiencies in internal control that we consider to be material weaknesses.

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 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 deficiencies in the District's internal control to be material weaknesses, as discussed further on the following pages:

- > Internal Control Environment
- > Internal Control Over Financial Reporting

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



Eau Claire, Wisconsin
November 26, 2019

MATERIAL WEAKNESSES

Auditing standards require that we perform procedures to obtain an understanding of your District and its internal control environment as part of the annual audit. This includes an analysis of significant transaction cycles and an analysis of the year-end financial reporting process and preparation of your financial statements.

INTERNAL CONTROL ENVIRONMENT

A properly designed system of internal control includes adequate staffing as well as policies and procedures to properly segregate duties. This includes systems that are designed to limit the access or control of any one individual to your District's assets or accounting records, and to achieve a higher likelihood that errors or irregularities in your accounting processes would be discovered by your staff in a timely manner.

At this time, due to staffing and financial limitations, the proper internal controls are not in place to achieve adequate segregation of duties. As a result, errors, irregularities or fraud could occur as part of the financial reporting process that may not be discovered by someone in your organization. Therefore, we are reporting a material weakness related to the internal control environment.

There are also certain controls that are not currently in place related to significant transaction cycles. As a result, there is a risk that erroneous or unauthorized transactions or misstatements could occur without the knowledge of management or the governing body. Our recommendations for strengthening controls are listed below.

CONTROLS OVER ACCOUNTS PAYABLE/DISBURSEMENTS

- > Persons processing accounts payable should be separate from those ordering or receiving goods or services.
- > Persons initiating electronic fund transfers should be separate from those authorizing, confirming or reconciling the transactions.

CONTROLS OVER PAYROLL

- > Persons preparing the payroll should be independent of other personnel duties and restricted from access to the payroll account.
- > All timecards should be reviewed and approved by an appropriate supervisor.

CONTROLS OVER MONTHLY AND YEAR-END ACCOUNTING

- > Adjusting journal entries and supporting documentation should be reviewed and approved by an appropriate person who is not the original preparer.
- > Account reconciliations prepared throughout the year should be performed by someone independent of processing transactions in the account.

Since the controls listed above or other compensating controls are not currently in place, errors or irregularities could occur as part of the accounting processes that might not be discovered by management or the governing body. Therefore, the absence of these controls is considered to be a material weakness.

We recommend that a designated employee review the segregation of duties, risks, and these potential controls and determine whether additional controls should be implemented. This determination should take into consideration a cost / benefit analysis.

MATERIAL WEAKNESSES (cont.)

INTERNAL CONTROL OVER FINANCIAL REPORTING

Properly designed systems of internal control provide your organization with the ability to process and record accurate monthly and year-end transactions and prepare annual financial reports.

Our audit includes a review and evaluation of internal controls relating to financial reporting. Common attributes of a properly designed system of internal control for financial reporting are as follows:

- > There is adequate staffing to prepare financial reports throughout the year and at year-end.
- > Material misstatements are identified and corrected during the normal course of duties.
- > Complete and accurate financial statements, including footnotes and GASB No. 34 conversion entries, are prepared.
- > Complete and accurate schedules of expenditures of federal and state awards are prepared.
- > Financial reports are independently reviewed for completeness and accuracy.

Our evaluation of the internal controls over financial reporting has identified control deficiencies that are considered material weakness surrounding the preparation of financial statements, footnotes, and schedules of expenditures of federal and state awards, adjusting journal entries identified by the auditors, preparation of GASB No. 34 conversion entries, and an independent review of financial reports.

Management has not prepared financial statements that are in conformity with generally accepted accounting principles or the schedules of expenditures of federal and state awards that are in conformance with the applicable federal or state requirements. In addition, material misstatements in the general ledger were identified during the financial audit.

This level of internal control over financial reporting can be a difficult task for governments that operate with only enough staff to process monthly transactions and reports, and often rely on their auditors to prepare certain year-end audit entries and financial statements.

OTHER COMMUNICATIONS TO THOSE CHARGED WITH GOVERNANCE

TWO WAY COMMUNICATION REGARDING YOUR AUDIT

As part of our audit of your financial statements, we are providing communications to you throughout the audit process. Auditing requirements provide for two way communication and are important in assisting the auditor and you with more information relevant to the audit.

As this past audit is concluded, we use what we have learned to begin the planning process for next year's audit. It is important that you understand the following points about the scope and timing of our next audit:

- a. We address the significant risks of material misstatement, whether due to fraud or error, through our detailed audit procedures.
- b. We will obtain an understanding of the five components of internal control sufficient to assess the risk of material misstatement of the financial statements or material noncompliance related to federal and state awards whether due to error or fraud, and to design the nature, timing, and extent of further audit procedures. We will obtain a sufficient understanding by performing risk assessment procedures to evaluate the design of controls relevant to an audit of financial statements and to determine whether they have been implemented. We will use such knowledge to:
 - > Identify types of potential misstatements or noncompliance.
 - > Consider factors that affect the risks of material misstatement or material noncompliance.
 - > Design tests of controls, when applicable, and substantive procedures.

Our audit will be performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*, and may be required to be performed in accordance with OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State Single Audit Guidelines*.

We will not express an opinion on the effectiveness of internal control over financial reporting or compliance with laws, regulations, and provisions of contracts or grant programs. For audits done in accordance with the Uniform Guidance, the *State Single Audit Guidelines*, and *Government Auditing Standards*, our report will include a paragraph that states that the purpose of the report is solely to describe (a) the scope of testing of internal control over financial reporting and compliance and the result of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, (b) the scope of testing internal control over compliance for major programs and major program compliance and the result of that testing and to provide an opinion on compliance but not to provide an opinion on the effectiveness of internal control over compliance and, (c) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance and the Uniform Guidance and the *State Single Audit Guidelines* in considering internal control over compliance and major program compliance. The paragraph will also state that the report is not suitable for any other purpose.

- c. The concept of materiality recognizes that some matters, either individually or in the aggregate, are important for fair presentation of financial statements in conformity with generally accepted accounting principles or for reporting material noncompliance while other matters are not important. In performing the audit, we are concerned with matters that, either individually or in the aggregate, could be material to the financial statements or to the entity's federal and state awards. Our responsibility is to plan and perform the audit to obtain reasonable assurance that material misstatements or material noncompliance, whether caused by errors or fraud, are detected.

TWO WAY COMMUNICATION REGARDING YOUR AUDIT (cont.)

We are very interested in your views regarding certain matters. Those matters are listed here:

- a. We typically will communicate with your top level of management unless you tell us otherwise.
- b. We understand that the Board of Education has the responsibility to oversee the strategic direction of your organization, as well as the overall accountability of the entity. Management has the responsibility for achieving the objectives of the entity.
- c. We need to know your views about your organization's objectives and strategies, and the related business risks that may result in material misstatements.
- d. Which matters do you consider warrant particular attention during the audit, and are there any areas where you request additional procedures to be undertaken?
- e. Have you had any significant communications with regulators or grantor agencies?
- f. Are there other matters that you believe are relevant to the audit of the financial statements or the federal and state awards?

Also, is there anything that we need to know about the attitudes, awareness, and actions of the District concerning:

- a. The District's internal control and its importance in the entity, including how those charged with governance oversee the effectiveness of internal control?
- b. The detection or the possibility of fraud?

We also need to know if you have taken actions in response to developments in financial reporting, laws, accounting standards, governance practices, or other related matters, or in response to previous communications with us.

With regard to the timing of our audit, here is some general information. If necessary, we may do preliminary audit work during the month of June. Our final financial audit fieldwork is scheduled during the summer to best coincide with your readiness and report deadlines. Single audit fieldwork, if needed, may be performed at the same time or scheduled for a later date. After fieldwork, we wrap up our audit procedures at our office and may issue drafts of our report for your review. Final copies of our report and other communications are issued after approval by your staff. This is typically 10-12 weeks after final fieldwork, but may vary depending on a number of factors.

Keep in mind that while this communication may assist us with planning the scope and timing of the audit, it does not change the auditor's sole responsibility to determine the overall audit strategy and the audit plan, including the nature, timing, and extent of procedures necessary to obtain sufficient appropriate audit evidence.

We realize that you may have questions on what this all means, or wish to provide other feedback. We welcome the opportunity to hear from you.

**COMMUNICATION OF RECOMMENDATIONS AND INFORMATIONAL POINTS TO MANAGEMENT
THAT ARE NOT MATERIAL WEAKNESSES OR SIGNIFICANT DEFICIENCIES**

RECOMMENDATIONS

PUPIL ACTIVITY POLICIES AND PROCEDURES

Over the past few years, there has been an increased emphasis on pupil activity funds and the processes and controls that Districts have in place to ensure proper use of student monies.

During our testing of pupil activity disbursements, we noted one payment that did not have an invoice to support the payment but rather an email with approval to pay. We also noted two disbursements that had a physical invoice to pay from but no evidence of approval. We recommend that all pupil activity disbursements require both an invoice and documented approval to pay.

DPI's requirements for pupil activity policies and procedures include:

- > Procedures for receipt and disbursement of funds
- > Policies addressing inactive student activity accounts
- > Policies addressing misappropriation of funds
- > Policies addressing negative activity account balances
- > Policies prohibiting loans, credit or compensation, to school employees or other individuals

To strengthen internal controls over your pupil activity accounts, the District should amend written policies and procedures to incorporate procedures for receipt of funds. In addition, a copy of the pupil activity funds policies and procedures should be provided to each activity supervisor on an annual basis.

CREDIT CARD POLICY

The use of credit cards in governmental entities is prevalent. Credit cards are often used for travel purposes, booking reservations, and serve as convenient and readily available means of purchasing. However, they also come with associated risks that need to be considered.

During our testing of credit and debit card transactions, we noted only one of the six statements selected for testing included all receipts as backup documentation. Most of the statements had some receipts, however they were not necessarily attached to or filed with the statement.

We recommend you consider adopting a specific credit card policy. This policy should take into consideration any statutory requirements, as well as maintaining strong internal controls over their use. A well written policy will allow organizations to: maintain consistency over the cards' use; provide guidance on how to establish, maintain, and cancel cards; and provide the desired standard against which practices can be compared. Items to consider when developing a comprehensive credit card policy should include the following:

- > Identify the employees that will be authorized to make purchases.
- > Identify what governing body or official will be responsible for approving new credit cards.
- > Determine what purchases are allowable with credit cards. Consideration should be given to whether the types of purchases are available through an existing centralized purchasing department, or purchasing cooperatives, therefore taking advantage of discounts. In general, the more guidance provided – the better.
- > Set a dollar limit which credit cards may not exceed. Placing limitations on the amount of available credit will assist in minimizing the organization's exposure to theft, reduce the risk of creating an unexpected financial burden, and avoid any conflicts with other purchasing policies.

RECOMMENDATIONS (cont.)

CREDIT CARD POLICY (cont.)

- > Prohibit the use of credit cards for any personal purchases.
- > Explain the method(s) to be used to safeguard the cards. Are they to be maintained in one secure location when not being used, or should they be the responsibility of the holder?
- > Put in writing the procedures to be used for changing signers on the cards that may be necessitated due to staff changes at the government, as well as canceling cards when they are no longer needed.
- > Procedures to be followed if the card is lost or stolen.
- > Consider the procedures to be used and documentation required for the review and approval of payment of the credit cards invoices.

Consider having employees that are provided a credit card sign an acknowledgement that they have received the credit card, read and understand the policy and agree to its terms. Consequences of not following the policy could be outlined as well.

In considering the procedures to be used and the documentation to be required for payment of the credit card claims, thought should be given to the lack of sufficient detail usually found within credit card invoices. Supporting documentation, such as detailed receipts, should be required to be attached to the credit card invoice.

We recommend the District draft and implement a credit card policy that addresses the inherent risks associated with credit card use.

ADDITIONAL INTERNAL CONTROL AND ACCOUNTING MATTERS

In addition to the internal control matters noted earlier, the following are suggestions to further improve your controls and/or accounting processes:

1. We recommend terminated employees be removed from the system or disabled within 72 hours of departure.
2. Currently, network passwords are not required to be changed periodically. Best practices suggest passwords should be changed every 90 days, require a minimum of 6 characters, require strong passwords (combination of alphanumeric characters), and passwords should be remembered by the system so users cannot reuse recent passwords.
3. There are currently over two hundred fixed assets with acquisition dates prior to 2006 on the listing of capital assets. It is unlikely that all or most of these assets are still in use. We recommend doing a physical inventory and clean-up review of the capital asset listing to provide a more accurate picture of the District's current capital assets.

PROFESSIONAL STANDARDS UPDATE / INFORMATIONAL POINTS

NEW REPORTING REQUIREMENTS FOR FIDUCIARY ACTIVITIES

In January 2017, the Governmental Accounting Standards Board (GASB) issued new guidance to address how governments report fiduciary activities which is effective for fiscal years ending on or after December 31, 2019. Statement No. 84, *Fiduciary Activities*, supersedes reporting of agency funds and replaces it with a newly coined custodial fund, and requires several additional reporting requirements for fiduciary funds.

Under current guidance, Statement 34 requires that governments report fiduciary activities in fiduciary funds, but that statement does not provide a clear definition of what constitutes a fiduciary activity. GASB sought to reduce inconsistencies in reporting and provide a clear foundation for future reporting.

The new guidance will impact a significant amount of local governments. Many local governments have activities that may be considered fiduciary, including:

- > Student activity funds of a school district
- > Tax collection funds
- > Circuit court fund of a municipality or county
- > Jail inmate accounts
- > Nursing home patient accounts
- > Cemetery trust funds
- > Postemployment benefit plans

Under the recently issued Statement 84, governments will need to apply specific criteria to determine if a fiduciary activity exists. The criteria focuses on determining if a government is controlling the assets of the potential fiduciary activity and determining who the beneficiaries are. A few of the major changes that will impact many governments include:

- > Pension/OPEB Plans as Fiduciary Component Units: Pension and other postemployment benefit (OPEB) plans will need to be evaluated to determine if they meet the fiduciary component unit criteria.
- > Other Fiduciary Activities: There are various other types of assets that a government controls which will need to be evaluated under the new standard. Part of this evaluation will include identification of the beneficiary of the funds, consideration of how the assets are derived and the extent of administrative or direct financial involvement with the assets.

The following is a summary of two significant changes in the reporting requirements:

- > The standard requires that governments recognize a liability to the beneficiaries in a fiduciary fund only when an event has occurred that compels the government to disburse fiduciary resources.
- > Presentation of additions and deductions on the statement of changes in fiduciary net position for all fiduciary funds, including custodial funds

PROFESSIONAL STANDARDS UPDATE / INFORMATIONAL POINTS (cont.)

NEW REPORTING REQUIREMENTS FOR FIDUCIARY ACTIVITIES (cont.)

The time to assess your government's fiduciary activities is now. We have an archived webinar to explain the requirements, which can be found at <https://www.bakertilly.com/insights/understanding-the-new-requirements-for-reporting-fiduciary-activities-gasb>. Along with the presentation, there is a fiduciary activities tool for you to download. In June 2019, GASB also issued Implementation Guide No. 2019-2, *Fiduciary Activities*. These resources will give you an understanding of the new criteria and requirements and help you identify the fiduciary reporting changes that will impact your financial statements. In addition, DPI has information available on their website, including a link to the slides from the GASB 84 session at the WASBO fall conference.

REQUIRED COMMUNICATIONS BY THE AUDITOR TO THOSE CHARGED WITH GOVERNANCE

To the Board of Education
School District of Thorp
Thorp, Wisconsin

Thank you for using Baker Tilly Virchow Krause, LLP as your auditor.

We have completed our audit of the financial statements of the School District of Thorp (District) for the year ended June 30, 2019 and have issued our report thereon dated November 26, 2019. This letter presents communications required by our professional standards.

OUR RESPONSIBILITY UNDER AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA, GOVERNMENT AUDITING STANDARDS, THE UNIFORM GUIDANCE AND THE STATE SINGLE AUDIT GUIDELINES

The objective of a financial statement audit is the expression of an opinion on the financial statements. We conducted the audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, OMB's *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *State Single Audit Guidelines*. These standards require that we plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements prepared by management with your oversight are free of material misstatement, whether caused by error or fraud. Our audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit does not relieve management or those charged with governance of their responsibilities.

We considered the School District of Thorp's internal control over financial reporting to determine the 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 over financial reporting. We also considered internal control over compliance with types of requirements that could have a direct and material effect on a major federal and major state program to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for a major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance.

As part of obtaining reasonable assurance about whether the School District of Thorp's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, 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. 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 *OMB Compliance Supplement* and the *State Single Audit Guidelines* that could have a direct and material effect on 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 on compliance, it does not provide a legal determination on the District's compliance with those requirements.

OUR RESPONSIBILITY UNDER AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA, GOVERNMENT AUDITING STANDARDS, THE UNIFORM GUIDANCE AND THE STATE SINGLE AUDIT GUIDELINES (cont.)

We have issued a separate document which contains the results of our audit procedures to comply with the Uniform Guidance and the *State Single Audit Guidelines*.

OTHER INFORMATION IN DOCUMENTS CONTAINING AUDITED FINANCIAL STATEMENTS

Our responsibility does not extend beyond the audited financial statements identified in this report. We do not have any obligation to and have not performed any procedures to corroborate other information contained in client prepared documents, such as official statements related to debt issues.

PLANNED SCOPE AND TIMING OF THE AUDIT

We performed the audit according to the planned scope and timing previously communicated to you in our prior year Communication to Those Charged with Governance and Management point titled "Two Way Communication Regarding Your Audit," dated November 29, 2018.

QUALITATIVE ASPECTS OF THE ENTITY'S SIGNIFICANT ACCOUNTING PRACTICES

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. The significant accounting policies used by the District are described in Note I to the financial statements. No significant new accounting policies were adopted and the application of existing policies was not changed during 2019. We noted no transactions entered into by the District during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

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 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:

- > Management's estimate of net pension liability/asset and the deferred outflows and deferred inflows related to pensions which impacts the reported pension expense are based on information provided by the Wisconsin Retirement System.
- > The depreciable lives for capital assets are based on management's estimate of the useful life of each asset.

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

Financial Statement Disclosures

The disclosures in the notes to 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 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 trivial, and communicate them to the appropriate level of management.

A summary of uncorrected financial statement misstatements follows this required communication. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Some of the proposed adjusting journal entries were material to the financial statements. A listing of all adjusting journal entries is attached.

We also prepared GASB No. 34 conversion entries which are summarized in the "Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position" and the "Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities" in the financial statements.

DISAGREEMENTS WITH MANAGEMENT

For purposes of this letter, 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 auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

CONSULTATIONS WITH OTHER INDEPENDENT ACCOUNTANTS

In some cases, management may decide to consult with other accountants about auditing and accounting matters. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditors' 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.

MANAGEMENT REPRESENTATIONS

We have requested certain representations from management that are included in the management representation letter. This letter follows this required communication.

INDEPENDENCE

We are not aware of any relationships between Baker Tilly Virchow Krause, LLP and the School District of Thorp that, in our professional judgment, may reasonably be thought to bear on our independence.

Relating to our audit of the financial statements of the District for the year ended June 30, 2019, Baker Tilly Virchow Krause, LLP hereby confirms that we are, in our professional judgment, independent with respect to the District in accordance with the Code of Professional Conduct issued by the American Institute of Certified Public Accountants. We provided no services to the District other than the audit of the current year's financial statements, DPI aid certification (PI 1506 AC) and the following non-attest services, which in our judgment do not impair our independence:

- > Financial statement preparation, including schedules of expenditures of federal and state awards and GASB No. 34 conversion entries
- > Adjusting journal entries
- > Preparation of the auditee sections of the data collection form

None of these nonaudit services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.

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 to our retention.

OTHER MATTERS

We applied certain limited procedures to the 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.

We were engaged to report on the supplementary information which accompanies the financial statements but is not RSI. With respect to the supplementary 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 of America, 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 information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

RESTRICTION ON USE

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

We welcome the opportunity to discuss the information included in this letter and any other matters. Thank you for allowing us to serve you.

Baker Tilly Virchow Krause, LLP

Eau Claire, Wisconsin
November 26, 2019

**MANAGEMENT REPRESENTATIONS WITH SUMMARY OF
UNCORRECTED FINANCIAL STATEMENT MISSTATEMENTS**



School District of Thorp

605 South Clark Street
P.O. Box 449
Thorp, Wisconsin 54771
www.thorp.k12.wi.us



Baker Tilly Virchow Krause, LLP
3410 Oakwood Mall Drive, Suite 200
Eau Claire, WI 54701

Dear Baker Tilly Virchow Krause, LLP:

We are providing this letter in connection with your audit of the financial statements of the School District of Thorp as of June 30, 2019 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 School District of Thorp and the respective changes in financial position, in conformity with accounting principles generally accepted in the United States of America. We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control over financial reporting, and preventing and detecting fraud.

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 the 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, 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.
2. The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America. We have engaged you to advise us in fulfilling that responsibility. The financial statements include all properly classified funds of the primary government required by accounting principles generally accepted in the United States of America 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, if any, are reasonable.

EMPOWERING STUDENTS TO EXCEL

High School/District Office
Phone: 715-669-5401
Fax: 715-669-3701

Middle/Elementary School
Phone: 715-669-5548
Fax: 715-669-5403

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 accounting principles generally accepted in the United States of America.
7. All events subsequent to the date of the financial statements and for which accounting principles generally accepted in the United States of America require adjustment or disclosure have been adjusted or disclosed. No other 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.
8. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
9. We believe the effects of the uncorrected financial statement misstatements summarized in the attached schedule are immaterial, both individually and in the aggregate, to the basic financial statements as a whole. In addition, you have recommended adjusting journal entries, and we are in agreement with those adjustments.
10. We are not aware of any known actual, possible, pending, or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with accounting principles generally accepted in the United States of America, or which would affect federal or state award programs, and we have not consulted a lawyer concerning litigation, claims, or assessments.
11. Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

12. 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 financial records and related data, 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 Education or summaries of actions of recent meetings for which minutes have not yet been prepared.
13. We have disclosed to you results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
14. 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.
15. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, regulators, or others.
16. 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.

17. We have disclosed to you all known related parties and all the related party relationships and transactions of which we are aware.

Other

18. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

19. We have a process to track the status of audit findings and recommendations.

20. We have identified to you any previous financial audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

21. We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for our report.

22. The District has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.

23. We are responsible for compliance with federal, state, and local laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits, debt contracts, and IRS arbitrage regulations; and we have identified and disclosed to you all federal, state, and local 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.

24. There are no:

- a. Violations or possible violations of budget ordinances, federal, state, and local laws or 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, except those already disclosed in the financial statement, if any.
- b. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by accounting principles generally accepted in the United States of America.
- c. Nonspendable, restricted, committed, or assigned fund balances that were not properly authorized and approved.

25. In regards to the nonattest services performed by you listed below, we have 1) accepted all management responsibility; 2) designated an individual with suitable skill, knowledge, or experience to oversee the services; 3) evaluated the adequacy and results of the services performed, and 4) accepted responsibility for the results of the services.

- a. Financial statement preparation, including schedules of expenditures of federal and state awards and GASB No. 34 conversion entries
- b. Adjusting journal entries
- c. Preparation of auditee sections of the data collection form

None of these nonattest services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.

26. The School District of Thorp 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.
27. The School District of Thorp has complied with all aspects of contractual agreements that would have a material effect on the financial statement in the event of noncompliance.
28. The School District of Thorp does not have any component units or joint ventures with an equity interest, or any other joint ventures or related organizations that would require disclosure.
29. The financial statements properly classify all funds and activities.
30. All funds that meet the quantitative criteria in GASB Statement No. 34 and No. 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.
31. 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.
32. The School District of Thorp has no derivative financial instruments such as contracts that could be assigned to someone else or net settled, interest rate swaps, collars or caps.
33. Provisions for uncollectible receivables, if any, have been properly identified and recorded.
34. 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.
35. Revenues are appropriately classified in the statement of activities within program revenues and general revenues.
36. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
37. Deposits and investments are properly classified, valued, and disclosed (including risk disclosures, collateralization agreements, valuation methods, and key inputs, as applicable).
38. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated/amortized. Any known impairments have been recorded and disclosed.
39. We have complied with the implementation of GASB No. 49 and believe that there is no liability to accrue related to pollution remediation at this time.
40. Tax-exempt bonds issued have retained their tax-exempt status.
41. We have appropriately disclosed the School District of Thorp'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 were properly recognized under the policy. We have also disclosed our policy regarding which resources (that is, restricted, committed, assigned or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available.

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 supplementary information, (SI):

a. We acknowledge our responsibility for presenting the 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 SI 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.

44. We assume responsibility for, and agree with, the findings of specialists in evaluating the other postemployment benefits liability and have adequately considered the qualifications of the specialists 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 impact on the independence or objectivity of the specialists.

45. We assume responsibility for, and agree with, the information provided by the Wisconsin Retirement System as audited by the Legislative Audit Bureau relating to the net pension asset/liability and related deferred outflows and deferred inflows and have adequately considered the reasonableness of the amounts and disclosures used in the financial statements and underlying accounting records. We also assume responsibility for the census data that has been reported to the plan.

46. With respect to federal and state award programs:

a. We are responsible for understanding and complying with and have complied with the requirements of the Single Audit Act Amendments of 1996, *OMB's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), *State Single Audit Guidelines*, including requirements relating to preparation of the schedule of expenditures of federal and state awards (SEFSA).

b. We acknowledge our responsibility for presenting the SEFSA in accordance with the requirements of the Uniform Guidance and the *State Single Audit Guidelines*, and we believe the SEFSA, including its form and content, is fairly presented in accordance with the Uniform Guidance and the *State Single Audit Guidelines*. The methods of measurement and presentation of the SEFSA 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 SEFSA.

c. If the SEFSA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFSA no later than the date we issue the SEFSA and the auditors' report thereon.

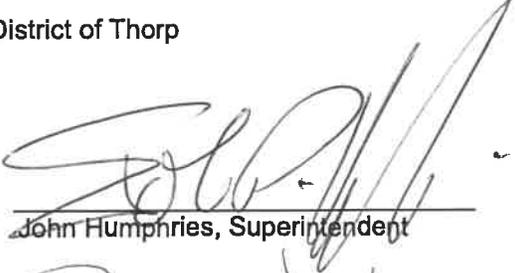
- d. We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance and the *State Single Audit Guidelines* and included in the SEFSA, expenditures made during the audit period for all awards provided by federal agencies in the form of grants, 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 and state 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 federal and state program.
- f. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal and state programs that provide reasonable assurance that we are administering 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. Also, no changes have been made in the internal control over compliance or other factors to the date of this letter that might significantly affect internal control, including any corrective action taken with regard to control deficiencies reported in the schedule of findings and questioned costs.
- g. We have made available to you all contracts and grant agreements (including amendments, if any) and any other correspondence with federal or state agencies or pass-through entities relevant to the programs and related activities.
- h. We have received no requests from a federal or state 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 OMB Compliance Supplement and the *State Single Audit Guidelines*, relating to federal and state awards and have identified and disclosed to you all amounts questioned and any known noncompliance with the direct and material compliance requirements of federal and state 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 agreements, and internal or external monitoring that directly relate to the objectives of the compliance audit, if any, 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. Amounts claimed or used for matching were determined in accordance with relevant guidelines in the Uniform Guidance.
- m. We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- n. We have made available to you all documentation related to the compliance with the direct and material compliance requirements, including information related to federal and state program financial reports and claims for advances and reimbursements.

- o. 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.
- p. We are not aware of any instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditors' report.
- q. 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 date as of which compliance was audited.
- r. 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.
- s. 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 and state agency or pass-through entity, as applicable.
- t. We have charged costs to federal and state awards in accordance with applicable cost principles.
- u. 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 the *State 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.
- v. We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.
- w. We are responsible for preparing and implementing a corrective action plan for each audit finding.

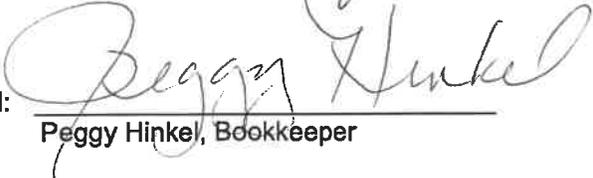
Sincerely,

School District of Thorp

Signed: _____


John Humphries, Superintendent

Signed: _____


Peggy Hinkel, Bookkeeper

Dated: _____

11-26-19

SCHOOL DISTRICT OF THORP
SUMMARY OF UNCORRECTED FINANCIAL STATEMENT MISSTATEMENTS

June 30, 2019

	Financial Statements Effect -										Change in Net Position/ Fund Balances
	Debit (Credit) to Financial Statement Total					Total					
	<u>Current Assets</u>	<u>Noncurrent Assets</u>	<u>Total Assets/ Deferred Outflows</u>	<u>Current Liabilities</u>	<u>Noncurrent Liabilities</u>	<u>Total Liabilities/ Deferred Inflows</u>	<u>Total Position/ Fund Balances</u>	<u>Total Revenues</u>	<u>Total Expenses/ Expenditures</u>		
Governmental Activities	\$ -	\$ (65,496)	\$ (65,496)	\$ -	\$ (275,302)	\$ (275,302)	\$ 340,798	\$ -	\$ 60,667	\$	\$ 60,667
Major Fund - General Fund	-	-	(31,219)	-	-	(40,000)	71,219	40,000	31,219		71,219
Remaining Funds	-	-	-	-	-	-	-	-	(2,742)		(2,742)

ADJUSTING JOURNAL ENTRIES

School District of Thorp

Year End: June 30, 2019

Adjusting journal entries

Number	Date	Name	Account No	Debit	Credit
A01	6/30/2019	PRIVATE BENEFIT TRUST FUND/B	72-000-000-712101-000 72	4,234.63	
A01	6/30/2019	PRIVATE BENEFIT TRUST FUND/B	72-000-000-712101-000 72		(8,000.00)
A01	6/30/2019	PRIVATE BENEFIT TRUST FUND/L	72-000-000-712114-720 72	498.45	
A01	6/30/2019	PRIVATE BENEFIT TRUST FUND/J	72-000-000-712118-000 72	366.68	
A01	6/30/2019	DISTRICT WIDE	72-800-280-500000-000 72		(5,099.76)
A01	6/30/2019	DISTRICT WIDE	72-800-291-500000-000 72		(7,250.00)
A01	6/30/2019	SCHOLARSHIP	72-800-991-421000-000 72	15,250.00	

To record Fund 72 activity for 2018-19.

A02	6/30/2019	CASH ON HAND	10-000-000-711100-000 10		(0.08)
A02	6/30/2019	REC&DIS	10-800-941-252300-000 10	0.08	
A02	6/30/2019	CASH ON HAND	49-000-000-711100-000 49	0.08	
A02	6/30/2019	BLDGS.	49-800-310-254300-000 49		(0.08)

To move excess expenditures from Fund 49 to Fund 10 so Fund 49 will zero out at year end.

A03	6/30/2019	LUNCH	50-800-387-257220-000 50	247.01	
A03	6/30/2019	BREAKFAST	50-800-411-257210-000 50		(16.13)
A03	6/30/2019	LUNCH	50-800-415-257220-000 50		(220.50)
A03	6/30/2019	LUNCH	50-800-415-257220-000 50	20,602.18	
A03	6/30/2019	DIST.WI	50-800-714-500000-000 50		(10.38)
A03	6/30/2019	DIST.WI	50-800-714-500000-000 50		(20,602.18)

To record commodity allocation revenue and correct handling charges.

A04	6/30/2019	GENERAL FUND/A/P ACCRUAL	10-000-000-811200-000 10		(21,031.35)
A04	6/30/2019	TRAINING	10-800-310-221300-381 10	11,517.96	
A04	6/30/2019	OPERATI	10-800-337-253000-000 10	1,481.25	
A04	6/30/2019	OPERATI	10-800-338-253000-000 10	1,041.50	
A04	6/30/2019	IMP/INS	10-800-342-221100-000 10	4,667.26	
A04	6/30/2019	TECHNOLOGY	10-800-440-295000-000 10	2,323.38	

To book payables at year end.
REVERSE IN 2020.

A05	6/30/2019	ACCOUNTS RECEIVABLE	10-000-000-713200-000 10	264.00	
A05	6/30/2019	DUE FROM OTHER FUNDS	10-000-000-714000-000 10		(264.00)
A05	6/30/2019	DUE FROM STATE	10-000-000-715500-000 10	3,840.00	
A05	6/30/2019	DIST.WI	10-800-630-500000-583 10		(3,840.00)
A05	6/30/2019	ACCOUNTS RECEIVABLE	50-000-000-713200-000 50	425.50	
A05	6/30/2019	DUE FROM OTHER FUNDS	50-000-000-714000-000 50		(425.50)

To reverse client journal entry 18-00013 - prior year audit entry did not need to be reversed.

A06	6/30/2019	L-T DEBT	38-800-673-289000-000 38	31,250.00	
A06	6/30/2019	DEBT SE	38-800-675-281000-000 38		(31,250.00)
A06	6/30/2019	L-T DEBT	38-800-683-289000-000 38	7,971.53	
A06	6/30/2019	DEBT SE	38-800-685-281000-000 38		(7,971.53)

To move debt service payments for WRS prior service cost loan to correct WUFAR account codes.

A07	6/30/2019	DEBT SE	39-800-673-281000-000 39	57,823.99	
A07	6/30/2019	DEBT SE	39-800-675-281000-000 39		(57,823.99)
A07	6/30/2019	DEBT SE	39-800-683-281000-000 39	2,033.71	
A07	6/30/2019	DEBT SE	39-800-685-281000-000 39		(2,033.71)

Move debt service payments for 2008 Ag/Tech addition loan to correct WUFAR account codes.

A08	6/30/2019	DEBT SE	38-800-685-281000-000 38	15,550.00	
A08	6/30/2019	L-T DEBT	38-800-685-289000-000 38		(15,550.00)

Move debt service payments for 2008 Ag/Tech addition loan to correct WUFAR account codes.

A09	6/30/2019	DIST.WI	10-800-730-500000-368 10	5,786.00	
A09	6/30/2019	BTVK Created REAP Grant	10-800-791-500000-368 10		(5,786.00)

To move REAP Grant money to 791 account.

A10	6/30/2019	CASH ON HAND	10-000-000-711100-000 10		(680,622.67)
A10	6/30/2019	RESIDUAL	10-800-827-411000-000 10	680,622.67	
A10	6/30/2019	CASH ON HAND	27-000-000-711100-000 27	680,622.67	
A10	6/30/2019	RESIDUAL	27-800-110-411000-000 27		(680,622.67)

To record preliminary transfer to Fund 27 (anticipating additional grant receivable).

A11	6/30/2019	DUE FROM FEDERAL	10-000-000-715600-000 10		(23,683.00)
A11	6/30/2019	PRINCIP	10-100-111-241000-000 10	22,000.00	
A11	6/30/2019	PRINCIP	10-100-111-241000-341 10		(22,000.00)
A11	6/30/2019	PRINCIP	10-100-220-241000-000 10	1,683.00	
A11	6/30/2019	PRINCIP	10-100-220-241000-341 10		(1,683.00)
A11	6/30/2019	DIST.WI	10-800-517-500000-341 10	23,683.00	
A11	6/30/2019	DUE FROM FEDERAL	27-000-000-715600-000 27		(45,219.45)
A11	6/30/2019	PSYC. S	27-800-111-215000-011 27	14,000.00	
A11	6/30/2019	PSYC. S	27-800-111-215000-341 27		(14,000.00)
A11	6/30/2019	DIST.WI	27-800-517-500000-341 27	45,219.45	

Reverse client entries to move project 341 and 011 expenditures for Title I Schoolwide and Idea flow-thru. Also reverse the related receivable and revenue recorded for them.

A12	6/30/2019	DIST.WI	10-800-627-500000-000 10	237,200.00	
A12	6/30/2019	DIST.WI	10-800-694-500000-000 10		(237,200.00)

To reclassify Sparsity Aid to a 694 account.

A13	6/30/2019	CASH ON HAND	10-000-000-711100-000 10	60,000.00	
A13	6/30/2019	DUE FROM FEDERAL	10-000-000-715600-000 10		(60,000.00)
A13	6/30/2019	CASH ON HAND	27-000-000-711100-000 27		(60,000.00)
A13	6/30/2019	DUE FROM FEDERAL	27-000-000-715600-000 27	60,000.00	

To move 2017-18 IDEA receipt to Fund 10
where the accounts receivable was recorded.

A14	6/30/2019	ACCOUNTS RECEIVABLE	10-000-000-713200-000 10	190.00	
A14	6/30/2019	DIST.WI	10-800-990-500000-000 10		(190.00)
A14	6/30/2019	DUE FROM FEDERAL	27-000-000-715600-000 27		(1,500.00)
A14	6/30/2019	ADJUSTMENTS & REFUNDS	27-800-971-492000-019 27	1,500.00	

To remove old accounts receivable.

A15	6/30/2019	DIST.WI	10-800-517-500000-341 10	50,044.09	
A15	6/30/2019	DIST.WI	10-800-660-500000-000 10	2,332.85	
A15	6/30/2019	BTVK Created ECCP Grant	10-800-699-500000-445 10		(2,332.85)
A15	6/30/2019	DIST.WI	10-800-730-500000-341 10		(50,044.09)
A15	6/30/2019	DIST.WI	27-800-517-500000-341 27	4,742.64	
A15	6/30/2019	DIST.WI	27-800-730-500000-341 27		(4,742.64)

To move revenue amounts to correct account coding.

A16	6/30/2019	DUE FROM CESA	10-000-000-715420-000 10	24,250.00	
A16	6/30/2019	BTVK Created Youth Apprenticeship	10-800-516-500000-000 10		(24,250.00)

To record CESA receivable and revenue
received after 6/30. REVERSE IN 2020.

A17	6/30/2019	CASH ON HAND	10-000-000-711100-000 10		(79,915.51)
A17	6/30/2019	RESIDUAL	10-800-850-411000-000 10	79,915.51	
A17	6/30/2019	CASH ON HAND	50-000-000-711100-000 50	79,915.51	
A17	6/30/2019	RESIDUAL	50-800-110-411000-000 50		(79,915.51)

To transfer money to the food service
fund for deficit fund balance at 6/30/19.

A18	6/30/2019	DEBT SE	39-800-685-281000-000 39		(3,741.02)
A18	6/30/2019	BT created - Refinancing Bond Interest	39-800-685-282000-000 39	3,741.02	

To reclassify a portion of the refunding bond interest
to a 282000 account in order to clear the 936310 equity
balance on the 1505 (per DPI's request).

A19	6/30/2019	DUE FROM STATE	10-000-000-715500-000 10	40,000.00	
A19	6/30/2019	DIST.WI	10-800-699-500000-000 10		(40,000.00)

To record safety grant receivable.

A20	6/30/2019	DUE FROM FEDERAL	27-000-000-715600-000 27	31,219.45	
A20	6/30/2019	DIST.WI	27-800-730-500000-341 27		(31,219.45)

To record additional Flow Through receivable.

				2,330,057.05	(2,330,057.05)
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