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May 18, 2020

To the Board of Education and Administration of
New Hampton Community School District

We have audited the financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the New Hampton Community School District for the year ended June 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, Government Auditing Standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated July 11, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

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

In planning and performing our audit, we considered New Hampton Community School District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting.

As part of obtaining reasonable assurance about whether New Hampton Community School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, 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.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant account policies used by the District are described in Note 1 to the financial statements. All significant transactions have been recognized in the financial statements in the proper period.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 18, 2020.

Management Consultations with Other Independent Accountants

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

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 governmental unit's auditors. However, these discussions occurred in 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 inquires of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during the 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 supplementary information which accompanies the financial statements but are not RSI. With respect to this supplementary information, we made certain inquires 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 the financial statements themselves. In our opinion, the supplementary information, is fairly stated in all material aspects in relation to the financial statements taken as a whole.

Restriction on Use

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

Management comments include:

1) Segregation of Duties indicating a lack of segregation in cash, receipts, manual journal entries, and computer systems. *

Statutory audit findings include:

1) Travel Expenses indicating that during the audit that the meal reimbursement policy was exceeded and no prior board approval was given as established by the Districts policies.

2) Board Minutes indicating that the District listed its official bank depositories in the board minutes but did not include the approved maximum amount on deposit at each institution.

3) Certified Enrollment indicating variances in the basic enrollment data certified to the Department of Education. The number certified to the Iowa Department of Education was understated by 1.00 students. *

4) Financial Condition indicating that within the Student Activity Fund the District has an account with a deficit balance of \$5,573 at June 30, 2019. *

5) Checks Outstanding indicating that during the audit the District had outstanding checks included in the bank reconciliations of the General and Activity checking accounts which have been outstanding for over a year.

6) Student Activity Fund indicating the District has a Miscellaneous account within the Student Activity Fund, which appears to be used to record interest revenue. It also appears that the District has two accounts within the Student Activity fund that have been inactive for more than two years. *

7) Student Activity Fund indicating the District has multiple accounts within the Student Activity Fund which have had no activity for the past two fiscal years. The accounts are as follows: Book Fair and BAC. *

8) Board Policies indicating the Districts board policies appear not to have been reviewed and/or updated within the past five years.

9) Signing of Official Contracts indicating that it appears the Board President was not signing contracts for officials.

* Indicates a repeat comment from the 2018 audit

Very truly yours,

Nolte, Cornman & Johnson P.C.

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