

AUDIT COMMUNICATIONS LETTER TO
THOSE CHARGED WITH GOVERNANCE OF

LINN COUNTY R-I SCHOOL DISTRICT

PURDIN, MISSOURI

JUNE 30, 2022

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October 19, 2022

Board of Education
Linn County R-I School District

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Linn County R-I School District for the year ended June 30, 2022.

We conducted our audit 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*, issued by the Comptroller General of the United States. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in those reports, which are dated October 19, 2022, should be considered in conjunction with this management letter.

Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 1, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Linn County R-I School District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2022. We noted no transactions entered into by the district during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Qualitative Aspects of Accounting Practices (Continued)

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. There were no sensitive estimates made by management affecting the Linn County R-I School District's financial statements for the year ended June 30, 2022.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no sensitive disclosures affecting the financial statements of the Linn County R-I School District for the year ended June 30, 2022.

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 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 purposes of this letter, professional standards define a disagreement with management as 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 October 19, 2022.

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 district’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

Accounting Personnel/Segregation of Duties

Proper segregation of duties reduces the risk of errors and frauds and is an important internal control. During our audit, we reviewed District policies and procedures and determined adequate segregation of duties did not exist. It is recognized that the small number of accounting and clerical personnel of the District precludes the application of internal accounting control procedures possible in a larger organization. It is acknowledged that the District does not have the financial resources to hire enough personnel to segregate duties. We recommend that the District should segregate duties wherever possible and implement other controls to compensate for the lack of segregation of duties.

This information is intended solely for the use of the Board of Education and management of Linn County R-I School District and is not intended to be and should not be used by anyone other than these specified parties.

Very Truly Yours,

A handwritten signature in black ink that reads "John W. Gillum CPA LLC". The signature is written in a cursive style.

John W. Gillum, CPA, LLC