



Board of Education  
School District of Turtle Lake  
Turtle Lake, Wisconsin

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School District of Turtle Lake (the District) as of and for the year ended June 30, 2020, and have issued our report thereon dated November 11, 2020. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

### **Significant audit findings**

#### ***Qualitative aspects of accounting practices***

##### *Accounting policies*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements.

During fiscal year ended June 30, 2020, the District adopted GASB Statement No. 84, *Fiduciary Activities* and GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The implementation of GASB Statement No. 84 resulted in a restatement for the change in accounting principle.

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.

##### *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 the useful lives for depreciable assets is based on guidance recommended by the Wisconsin Department of Public Instruction (DPI) and other sources.
- Actuarial assumptions and estimates used in the calculation of Wisconsin retirement pension plan is outlined in notes to the basic financial statements and determined by independent actuaries.
- Management's estimate of both the likelihood of employees vesting and the current portion of employee leave accruals are based on past practice and experience.

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***

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

***Difficulties encountered in performing the audit***

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

***Uncorrected misstatements***

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements.

***Corrected misstatements***

The following material misstatements detected as a result of audit procedures were corrected by management: recording of fund activity reclassifications.

***Disagreements with management***

For purposes 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 auditors' report. No such disagreements arose during our audit.

***Management representations***

We have requested certain representations from management that are included in the management representation letter dated November 11, 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 District'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.

***Significant issues discussed with management prior to engagement***

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

***Significant findings or issues that were discussed, or the subject of correspondence, with management***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year. The following summarizes the significant findings or issues arising from the audit that were discussed, or the subject of correspondence, with management:

- Annual Financial Reporting and lack of segregation of duties.

**Other information in documents containing audited financial statements**

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI. The District has elected to not present the management's discussion and analysis with its RSI.

With respect to the combining and individual fund statements and schedules, the schedule of federal expenditures and the schedule of state financial assistance (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, 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 or the reasons for such changes, 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. We have issued our report thereon dated November 11, 2020.

With respect to the individual and combining fund statements and the charter school authorization annual report sections VI and VII (the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, 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 or the reasons for such changes, 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. We have issued our report thereon dated November 11, 2020.

The charter school authorization annual report, sections I through V accompanying the financial statements, which is the responsibility of management, was prepared for purposes of additional analysis and is not a required part of the financial statements. Such information was not subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we did not express an opinion or provide any assurance on it.

Our auditors' opinion, the audited financial statements, and the notes to financial statements should only be used in their entirety. Inclusion of the audited financial statements in a document you prepare, such as an annual report, should be done only with our prior approval and review of the document.

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

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

**CliftonLarsonAllen LLP**

Hudson, Wisconsin  
November 11, 2020

Client:	095-09811700 - School District of Turtle Lake			
Engagement:	AUD-YB2020 - School District of Turtle Lake			
Period Ending:	6/30/2020			
Trial Balance:	0900.00 - Trial Balance			
Workpaper:	0920.10 - Adjusting Journal Entries Report			
Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries JE # 1</b>				
PBC - to record various transactions				
10 A 000 000 715500 000	DUE FROM STATE		2,986.82	
10 A 000 000 715600 000	DUE FROM FEDERAL GOVERNMENT		1,939.68	
38 E 800 699 281000 000	OTH DEBT MISCELLANEOUS		197.92	
50 E 800 310 257000 586	PERSONAL SERVICE		32,266.81	
10 R 800 691 500000 000	TAX EXEMPT COMPUTER AID			2,986.82
10 R 800 730 500000 365	SPECIAL PROJECT GRANTS			1,939.68
38 L 000 000 819000 000	Other Current Liabilities			197.92
50 L 000 000 811200 000	ACCOUNTS PAYABLE			32,266.81
<b>Total</b>			<b>37,391.23</b>	<b>37,391.23</b>
<b>Adjusting Journal Entries JE # 2</b>				
PBC - To reclass				
10 E 800 838 411000 000	TRANS TO NON-REF DEBT FUND		197.92	
10 L 000 000 811200 000	ACCOUNTS PAYABLE		26,478.62	
21 E 040 345 161000 917	PUPIL LODGING/MEALS		65.44	
38 A 000 000 714100 000	Due From General Fund		197.92	
10 A 000 000 714049 000	DUE FROM FD 49			26,478.62
10 L 000 000 812038 000	Due to Fund 38			197.92
21 R 040 971 162000 934	REFUND OF PRIOR YEAR EXPENSE			65.44
38 R 800 110 411000 000	TRANSFER FROM FUND 10			197.92
<b>Total</b>			<b>26,939.90</b>	<b>26,939.90</b>
<b>Adjusting Journal Entries JE # 3</b>				
PBC - To reclass Brenda Ofell's time for non valid licenses				
27 E 030 170 159100 019	Saliary-Aides		264.00	
27 E 030 212 159100 019	Retirement-employer		17.29	
27 E 030 222 159100 019	FICA		20.20	
27 E 040 170 159100 019	Salary Aids		8,172.00	
27 E 040 222 159100 019	FICA		543.94	
27 E 040 222 159100 019	FICA		625.15	
27 E 030 170 159100 011	SALARY-AIDES			264.00
27 E 030 212 159100 011	RETIREMENT-EMPLOYER			17.29
27 E 030 222 159100 011	FICA			20.20
27 E 040 170 159100 011	SALARY-AIDES			8,172.00
27 E 040 212 159100 011	RETIREMENT-EMPLOYER			543.94
27 E 040 222 159100 011	FICA			625.15
<b>Total</b>			<b>9,642.58</b>	<b>9,642.58</b>
<b>Adjusting Journal Entries JE # 5</b>				
PBC - To reclassify restricted for common school fund				
10 Q 000 000 939900 000	UNASSIGNED FUND BALANCE		4,181.01	
10 Q 000 000 936130 000	Restricted Fund Balance			4,181.01
<b>Total</b>			<b>4,181.01</b>	<b>4,181.01</b>
<b>Adjusting Journal Entries JE # 6</b>				
PBC - to reclass Fund 72 into Fund 21 Per GASB 84 requirements.				
21 A 000 000 711000 000	CASH		5,100.00	
21 A 000 000 712000 000	Investments		212,794.01	
21 E 040 310 450000 945	Post-Secondary Scholarship		7,350.00	
21 E 040 389 450000 945	Post-Secondary Scholarship		4,228.00	
72 E 800 991 420000 000	TRUST FUND EXPENDITURES		218,601.41	
72 R 800 280 500000 000	INTEREST ON INVESTMENTS		7,270.60	
72 R 800 291 500000 000	GIFTS		3,600.00	
21 R 040 280 500000 945	Interest Income			7,270.60
21 R 040 291 500000 945	Gifts			3,600.00
21 R 040 969 500000 945	Other Adjustments			218,601.41
72 A 000 000 711000 000	CASH		5,100.00	
72 A 000 000 712000 000	INVESTMENTS			19,898.92
72 A 000 000 712900 000	LONG TERM INVESTMENT			192,895.09
72 E 800 991 420000 000	TRUST FUND EXPENDITURES			11,578.00
<b>Total</b>			<b>458,944.02</b>	<b>458,944.02</b>