

WEBER COUNTY

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

DECEMBER 31, 2022



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Board of County Commissioners
Weber County, Utah

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Weber County, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise Weber County's basic financial statements, and have issued our report thereon dated June 20, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Weber County's internal control over financial reporting (internal control) as a basis for designing 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 Weber County's internal control. Accordingly, we do not express an opinion on the effectiveness of Weber County's internal control.

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 a 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Weber County's financial statements are free from 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Christensen, Palmer & Ambrose P.C.

Ogden, Ut
June 20, 2023

WEBER COUNTY
Single Audit
DECEMBER 31, 2022



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

The Board of County Commissioners
Weber County, Utah

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Weber County's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Weber County's major federal programs for the year ended December 31, 2022. Weber County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Weber County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Weber County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Weber County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Weber County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Weber County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Weber County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis,

evidence regarding Weber County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of Weber County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Weber County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Christensen, Palmer & Ambrose P.C.

WEBER COUNTY CORPORATION
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

<u>CFDA</u>	<u>Name</u>	<u>Pass Through Entity</u>	<u>Award</u>	<u>Expenditure</u>	<u>Provide to Subrecipients</u>	<u>Agency</u>
U.S. Department of Agriculture, Food, and Nutrition Service						
10.557	WIC - Administration	Utah Department of Health	20-2700361	1,159,147	-	WMHD
10.557	WIC - Food	Utah Department of Health	20-2700361	2,298,646	-	WMHD
10.559	Summer Food Service	Utah Department of Health	18-2700916	230	-	WMHD
10.665	Secure Rural Schools	State of Utah	SRS2022	33,322	-	County
				3,491,345	-	
U.S. Department of Health and Human Services						
93.008	NACCHO	Utah Department of Health	MRC-22-2674	20,000	-	WMHD
93.069	PHEP	Utah Department of Health	22-2700111/22-2700231	507,438	-	WMHD
93.092	PERSONAL RESPONSIBILITY EDUCATION	Utah Department of Health	20-2700485/23-2701069	118,558	-	WMHD
93.116	TB ELIMINATION	Utah Department of Health	15-2700351	650	-	WMHD
93.136	RAPE PREVENTION EDUCATION	Utah Department of Health	19-2700953	46,837	-	WMHD
93.136	OVERDOSE DATA TO ACTION	Utah Department of Health	22-2700558/23-2700596	131,756	-	WMHD
93.136	OD2A-LWCP	Utah Department of Health	22-2700558/23-2700596	3,988	-	WMHD
93.184	DEVELOPMENT DISABILITIES	Utah Department of Health	23-2700596	9,660	-	WMHD
93.197	CHILDHOOD LEAD POISONING PREVENTION	Utah Department of Health	22-2700406	8,075	-	WMHD
93.235	SEXUAL RISK AVOIDANCE EDUCATION	Utah Department of Health	20-2700485/23-2701053	96,495	-	WMHD
93.268	VFC IMMUNIZATIONS	Utah Department of Health	19-2701016	77,242	-	WMHD
93.268	COVID VACCINE DISSEMINATION	Utah Department of Health	21-2701522	545,124	-	WMHD
93.270	ENHANCED ACUTE HCV & HBV	Utah Department of Health	21-702419	9,300	-	WMHD
93.305	TOBACCO PROGRAM CDC	Utah Department of Health	21-2700222	21,024	-	WMHD
93.323	EPI DREAM OUTBREAK	Utah Department of Health	20-2700515	25,665	-	WMHD
93.323	COVID-19 PPPHEA	Utah Department of Health	21-2700322	889,624	-	WMHD
93.323	ELC DREAM COVID	Utah Department of Health	20-2700959	25,081	-	WMHD
93.323	ELC HOMELESSNESS	Utah Department of Health	22-2701231	12,429	-	WMHD
93.323	K-12 COVID TESTING ACTIVITIES	Utah Department of Health	20-2700086	1,145,478	-	WMHD
93.323	HOMELESS SERVICES	Weber Morgan Health Department		12,429	-	County
93.323	COVID-19 PPPHEA EXPANSION	Utah Department of Health	21-2702399	941,797	-	WMHD
93.354	CRISIS WORKFORCE	Utah Department of Health	22-2700706	364,705	-	WMHD
93.391	HEALTH DISPARITIES/HEALTH EQUITY	Utah Department of Health	22-2700214	278,918	-	WMHD
93.391	HEALTH DISPARITIES/HEALTH EQUITY	Weber Morgan Health Department	1NH75OT000059-01-00	33,999	-	County
93.426	EPICC 1815	Utah Department of Health	19-2700384	34,508	-	WMHD
93.435	EPICC 1817	Utah Department of Health	19-2700384	213,770	-	WMHD
93.439	EPICC CDC 1807	Utah Department of Health	19-2700384	25,919	-	WMHD
93.558	FY21 INTEGRATED COMMUNITY ACTION NOW	Utah Department of Workforce Services	21-DWS-0026	148,619	-	County
93.558	FY23 PROSPERITY INITIATIVE	Utah Department of Workforce Services	23-DWS-0067	364,526	-	County
93.778	TCM	Utah Department of Health	16-2701003	95,188	-	WMHD
93.889	PHEP MRC	Utah Department of Health	22-2700231	2,061	-	WMHD
93.898	CANCER SCREENING	Utah Department of Health	21-2702461	15,346	-	WMHD
93.940	HIV PREVENTION	Utah Department of Health	18-2700673	23,500	-	WMHD

CFDA	Name	Pass Through Entity	Award	Provide to		
				Expenditure	Subrecipients	Agency
93.977	STD	Utah Department of Health	19-2700677	116,296	-	WMHD
93.991	PREVENTATIVE BLOCK GRANT	Utah Department of Health	22-2700497/23-23700434	142,005	-	WMHD
93.994	MCH BLOCK	Utah Department of Health	21-2700503	84,570	-	WMHD
93.994	VIPP MCH Block	Utah Department of Health	22-2700558/23-2700596	30,317	-	WMHD
				<u>6,622,897</u>	-	

U.S. Department of Homeland Security

97.039	FY2021 Hazard Mitigation Grant	Utah Division of Emergency Management	FM-5388-1P	2,090	-	County
97.042	Emergency Mgmt. Performance Grant	Utah Division of Emergency Management	DEM-EMPG-2021-DEM-057	48,326	-	County
97.042	Emergency Mgmt. Performance Grant	Utah Division of Emergency Management	DEM-EMPG-2022-DEM-057	14,757	-	County
97.067	Homeland Security 2019 SHSP	Utah Division of Emergency Management	DEM-2019-SHSP-001	75,310	-	County
97.067	Homeland Security 2021 SHSP	Utah Division of Emergency Management	DEM-2021-SHSP-001	107,125	-	County
97.067	Homeland Security 2022 SHSP	Utah Division of Emergency Management	DEM-2022-SHSP-001	17,850	-	County
97.088	Stafford Disaster Public Assistance Grant		176355/185791	7,993	-	County
				<u>271,361</u>	-	

U.S. Department of Housing and Urban Development (HUD)

14.181	Supportive Housing for Persons with Disabilities		UT0082L8T031908/UT0082L8T032009	171,010	-	WHA
14.238	Shelter Plus Care		UT0015L8T031912/UT0015L8T032013	28,394	-	WHA
14.871	Section 8 Housing Choice Vouchers		UT022	1,545,938	-	WHA
14.879	Mainstream Vouchers		UT022	670,346	-	WHA
				<u>2,415,688</u>	-	

U.S. Department of Justice

16.540	Formula Grant: ICAC FY22	State of Utah	2018-MC-FX-K022	13,678	-	County
16.540	Formula Grant: ICAC FY22	State of Utah		9,108	-	County
16.575	Crime Victim Assistance (VOCA)	Utah State Crime Victim Reparations	21VOCA19	87,322	-	County
16.575	Crime Victim Assistance (VOCA)	Utah State Crime Victim Reparations	21VOCA78	19,588	-	County
16.575	Crime Victim Assistance (VOCA)	Utah State Crime Victim Reparations	22VOCA19	85,575	-	County
16.575	Crime Victim Assistance (VOCA)	Utah State Crime Victim Reparations	22VOCA78	16,130	-	County
16.710	FY2021 COPS CPD GRANT		15JCOPS-21-GG-02284-SPPS	125,000	-	County
16.738	2021 JAG Grant	Ogden City		5,206	-	County
16.738	2022 JAG GRANT	Ogden City		5,300	-	County
16.812	Second Chance Act Reentry Initiative - 2019 WARP		2019-RW-BX-0004	65,858	-	County
16.838	Comprehensive Opioid Stimulant and Substance Abuse		15PBJA-22-GG-04447-COAP	4,950	-	County
				<u>437,714</u>	-	

U.S. Environmental Protection Agency

66.032	DEQ RADON	Utah Department of Environmental Quality		2,000	-	WMHD
66.444	DEQ WIIN	Utah Department of Environmental Quality		5,066	-	WMHD
66.605	DEQ	Utah Department of Environmental Quality	22-2059	31,801	-	WMHD
66.956	VRRAP- TARGETED AIRSHED GRANT	Utah Department of Environmental Quality	201050	144,784	-	WMHD
				<u>183,651</u>	-	

CFDA	Name	Pass Through Entity	Award	Provide to	
				Expenditure	Subrecipients Agency
U.S. Institute of Museum and Library Services					
45.310	ARPA Urgent Pandemic	Utah State Library Division	221438	2,000	- County
45.310	ARPA Physical Collection Grant	Utah State Library Division	212632	12,000	- County
45.310	ARPA ECF Support Grant	Utah State Library Division	221745	7,382	- County
45.310	ARPA USL Pandemic Response Grant	Utah State Library Division	212749	6,305	- County
				<u>27,687</u>	-
U.S. Department of the Treasury					
21.027	Coronavirus State and Local Fiscal Recover Funds			23,889,647	County
21.032	Local Assistance and Tribal Consistency Fund			31,250	County
				<u>23,920,897</u>	
	Total Federal Expenditures			<u><u>37,373,330</u></u>	-

WEBER COUNTY, UTAH
NOTES TO SUPPLEMENTARY SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended December 31, 2022

1. **Purpose of the Schedule** – The accompanying Schedule of Expenditures of Federal Awards (Schedule) is a supplementary schedule to the County’s basic financial statements and is presented for purposes of additional analysis. The Schedule is required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

2. **Basis of Presentation** –
 - a. The Schedule includes the federal grant activity of Weber County under programs of the federal government for the year ended December 31, 2022. Because the Schedule presents only a selected portion of the operations of Weber County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Weber County.
 - b. The County’s reporting entity is fully described in Footnote 1 of the County’s basic financial statements.

3. **Summary of Significant Accounting Policies** –
 - a. Basis of accounting - Federal financial assistance programs included in the Schedule are primarily reported in the County’s basic financial statements as grants and contributions in the entity-wide Statement of Activities and as intergovernmental revenue in the fund financial statements. The Schedule is presented using the same basis of accounting as that used in reporting the expenditures of the related funds in the County’s basic financial statements. The basis of accounting used for each fund is described in Footnote 1 of the County’s basic financial statements.
 - b. Pass-through entity identifying numbers are presented where available.
 - c. Matching Costs – The Schedule does not include matching expenditures.
 - d. The County has elected to use the 10% de minimis cost rate. The Weber Housing Authority, and Weber Area Dispatch, discrete component units of Weber County, have also elected to use the 10% de minimis cost rate. The Weber Morgan Health Department, a separate discrete component unit of the County, has not elected to use the de minimis rate.

4. **Noncash Federal Awards** – Noncash federal awards represent commodities consumed during the year, expressed at market value. The State of Utah estimates the per unit fair market value of these commodities, Noncash federal financial assistance is calculated by multiplying the per unit fair market value by the net commodities consumed.

5. **Reconciliation of Expenditures to Federal Revenues** – Expenditures reported in the Schedule agree with the federal revenues reported in the County’s basic financial statements with the following reconciling items:

Intergovernmental Revenue Per the Financial Statements	
Governmental Funds.....	\$ 30,362,371
Discrete Component Units	
Weber Morgan Health Department.....	11,450,285
Weber Housing Authority.....	3,830,492
Weber Area Dispatch.....	<u>306,857</u>
Total Intergovernmental Revenue.....	\$ 45,950,005
Less:	
Grants Received from the State of Utah.....	\$ (3,469,975)
Grants and Contributions received from Local and Other Agencies....	(5,073,287)
Other Miscellaneous reconciling items, net.....	<u>(33,413)</u>
	\$ (8,576,675)
 Total Federal Expenditures from the Schedule.....	 <u>\$ 37,373,330</u>

WEBER COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022

I. SUMMARY OF AUDITORS' RESULTS

1. The independent auditors' report on the financial statements expressed an unmodified opinion.
2. No deficiencies in internal control over financial reporting were required to be reported.
3. No instances of noncompliance considered to be material to the financial statements were disclosed by the audit.
4. No conditions in internal control over compliance with requirements applicable to major federal awards programs were required to be reported.
5. The independent auditors' report on compliance with requirements applicable to major federal award programs expressed an unmodified opinion.
6. The audit disclosed no findings required to be reported by Title 2 U.S. Code of Federal Regulations Part 200.
7. The major federal programs of the County for the year ended December 31, 2022 are as follows:

Program	CFDA #	Expenditures
Coronavirus State and Local Fiscal Recover Funds	21.027	\$ 23,889,647

8. A threshold of \$ 1,042,150 was used to distinguish between Type A and Type B programs as those terms are defined by Title 2 U.S. Code of Federal Regulations Part 200.
9. The County qualified as a low risk auditee as that term is defined in the Uniform Guidance

II. FINANCIAL STATEMENTS FINDINGS SECTION

None

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS SECTION

None

WEBER COUNTY
INDEPENDENT AUDITORS' REPORT ON
STATE AND LEGAL COMPLIANCE
DECEMBER 31, 2022



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON
INTERNAL CONTROLS OVER COMPLIANCE IN ACCORDANCE
WITH THE STATE OF UTAH LEGAL COMPLIANCE AUDIT GUIDE**

Honorable County Commissioners
Weber County
Ogden, Utah

REPORT ON COMPLIANCE

We have audited Weber County's compliance with the applicable general state compliance requirements described in the *State of Utah Legal Compliance Audit Guide* for the year ended December 31, 2022.

The general compliance requirements applicable to the County are identified as follows:

- Budgetary Compliance
- Fund Balance
- Restricted Taxes and Related Revenue
- Fraud Risk Assessment
- Governmental Fees
- Utah Retirement Systems
- Public Treasurer's Bond
- Open and Public Meetings Act

Management's Responsibility

Compliance with the requirements referred to above is the responsibility of the County's management.

Auditor's Responsibility

Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *State of Utah Legal Compliance Audit Guide*. Those standards and the *State of Utah Legal Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on the County and its major programs occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

Opinion

In our opinion, Weber County complied, in all material respects, with the compliance requirements identified above that could have a direct and material effect on Weber County for the year ended December 31, 2022.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered the County's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance 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, noncompliance on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a general state compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses in internal control over compliance. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

Purpose of Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Christensen, Palmer & Ambrose P.C.