

**BITTERROOT VALLEY EDUCATION COOPERATIVE
MANAGEMENT BOARD**

Tuesday, November 26, 2019
9:00 a.m. – Cooperative Office

AGENDA

- 1. Call to Order**
- 2. Introduce Staff Representative**
- 3. Consent Agenda**
 - A. Minutes
 - B. New Hires
 - a. Michelle Brushia, Behavior Consultant, HSD
 - b. Tyler Scully, Behavior Consultant, SHS
 - C. Next Meeting – December 24
- 4. Public Comment**
- 5. Board Action**
 - A. None
- 7. Information and Discussion**
 - A. Denning, Downey & Associates – Notice of Annual Audit – attached
 - B. Retirement Incentive Request – Revoked

Terese Athman has withdrawn her request for retirement incentive – attached
- 8. Adjourn**

November 10, 2019

Dear Director Miller and Board of the Bitterroot Valley Education Cooperative:

Considering that I prefer to work beyond this current year, I am writing to revoke my earlier proposal for a retirement incentive.

Any future requests would come under the 2019-2021 collective bargaining agreement, which has a built in time frame for employee submission with sufficient time allowance for employer consideration and response well in advance of TRS commitment dates. This should make things less hectic for all involved parties and give employees sufficient time to complete necessary paperwork should they choose to retire.

I apologize for any inconvenience this may have caused or time absorbed by the October proposal.

Thank you for your ongoing support of special needs children and employees.

Sincerely,

A handwritten signature in blue ink that reads "Terese Athman". The signature is fluid and cursive, with the first name "Terese" and last name "Athman" clearly legible.

Terese Athman, MS/CCC-SLP

Denning, Downey & Associates, P.C. CERTIFIED PUBLIC ACCOUNTANTS P.O. Box 1957 Kalispell, MT
59903-1957 (406) 756-6879 • FAX (406) 257-7879 • E-Mail dda@ddaudit.com Robert K.
Denning, CPA, CGFM, CFF, CITP

November 20, 2019

Board of Trustees - Jill Reynolds – Business Manager

Bitterroot Valley Education Cooperative PO BOX 187 Stevensville, MT 59870

We are engaged to audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Bitterroot Valley Education Cooperative for the year ended June 30, 2019. Professional standards require that we provide you with the following information relate to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

Our Responsibility under U.S. Generally Accepted Auditing Standards and Government Auditing Standards and the Uniform Guidance for federal audits.

As stated in our engagement letter dated August 1, 2017, 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 will consider Bitterroot Valley Education Cooperative'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. WE will also consider internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.

As part of obtaining reasonable assurance about whether Bitterroot Valley Education Cooperative's financial statements are free of material misstatement, we will perform tests of its compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit. Also in accordance with the Uniform Guidance, we will examine, on a test basis, evidence about Bitterroot Valley Education Cooperative's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement applicable to each of its major federal programs for the purpose of expressing an opinion on

Bitterroot Valley Education Cooperative's compliance with those requirements. While our audit will provide a reasonable basis for our opinion, it will not provide a legal determination on Bitterroot Valley Education Cooperative's compliance with those requirements.

Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

We are also responsible for communicating particular matters required by law, regulation, agreement, or other requirements applicable to the engagement.

We gave significant consideration to particular circumstances or relationships such as financial interests, business, or family relationships, or non-attest/non-audit services provided or expected to be provided.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to Budgetary Comparison Schedule and Budget-to-GAAP Reconciliation, Schedule of Changes in the Total Other Post Employment Benefit Liability and Related Ratios, Schedule of Proportionate Share of Net Pension Liability, Schedule of Contributions. Notes to Required Pension Supplementary Information, which supplement(s) the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

We have been engaged to report on, Schedule of Expenditures of Federal Awards, which accompany the financial statements but are not RSI. Our responsibility for this supplementary information, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Planned Scope, Timing of the Audit, and Other An Audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding to the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements

and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to the acts by management or employees acting on behalf of the entity. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

We expect to begin our audit on approximately November 19, 2019 and issue our report on approximately March 30, 2020. Robert Denning is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

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

Very truly yours,

Jacob Miranda

Denning, Downey & Associates, P.C.