

EDUCATIONAL SERVICE UNIT COORDINATING COUNCIL (ESUCC)

Required Communications

For the

Fiscal Year Ended August 31, 2016



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Charlie Janssen
State Auditor

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March 10, 2017

Board of Directors
ESUCC
LaVista, Nebraska

We have audited the cash basis financial statements of the governmental activities and general fund of the Educational Service Unit Coordinating Council (ESUCC) as of and for the year ended August 31, 2016, and have issued our report thereon dated March 10, 2017. Under our professional standards, we are providing you with the accompanying information related to the conduct of our audit.

Our Responsibility Under Professional Standards

- We are responsible for forming and expressing an opinion about whether the financial statements, which have been prepared by management, are presented fairly, in all material respects, in conformity with the cash basis of accounting. We have a responsibility to perform our audit of the financial statements in accordance with professional standards. In carrying out this responsibility, we planned and performed the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. Because of the nature of audit evidence and the characteristics of fraud, we are to obtain reasonable, not absolute, assurance that material misstatements are detected. We have no responsibility to plan and perform the audit to obtain reasonable assurance that misstatements, whether caused by error or fraud, that are not material to the financial statements are detected. Our audit does not relieve management of their responsibilities.

In addition, in planning and performing our audit of the financial statements, we considered internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the ESUCC's internal control. Accordingly, we do not express an opinion on the effectiveness of the ESUCC's internal control.

We also have a responsibility to communicate significant matters related to the financial statement audit that are, in our professional judgment, relevant to the responsibilities of the Board of Directors in overseeing the financial reporting process. We are not required to design procedures for the purpose of identifying other matters to communicate to you.

Comments and Recommendation Section of the Report

We have communicated in the Schedule of Findings Section of the audit report our comments and recommendations for improvements in procedures and internal controls. We did not identify any material weaknesses or significant deficiency in internal control.

Other Information in Documents Containing Audited Financial Statements

Our responsibility for other information in documents containing the ESUCC's financial statements and our auditors' report thereon does not extend beyond the financial information identified in our auditors' report, and we have no obligation to perform any procedures to corroborate other information contained in these documents. We have, however, read the other information – the Management's Discussion and Analysis and Budgetary Comparison Schedule – included in the ESUCC financial report, and no matters came to our attention that cause us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

Accounting Practices and Alternative Treatments

Significant Accounting Policies

The significant accounting policies used by the ESUCC are described in Note 1 to the financial statements.

Unusual Transactions

None

Qualitative Aspects of Accounting Practices

We have discussed with management our judgments about the quality, not merely the acceptability, of the ESUCC's accounting principles as applied in its financial reporting. The discussions generally included such matters as the consistency of the ESUCC's accounting policies and their application, and the understandability and completeness of the ESUCC's financial statements, which include related disclosures.

Management Judgments and Accounting Estimates

The preparation of the financial statements of the ESUCC is on the cash basis. This basis of accounting does not require management of the ESUCC to make any material estimates and assumptions relating to the reported cash amounts.

Uncorrected Misstatements

In connection with our audit of the ESUCC's financial statements, there were no material misstatements that have not been corrected in the ESUCC's books and records.

Material Corrected Misstatements

None

Management's Consultation with Other Accountants

None to our knowledge as it relates to the ESUCC's basic financial statements.

Disagreements with Management

There were no disagreements with management on financial accounting and reporting matters that, if not satisfactorily resolved, would have caused a modification of our auditors' reports on the ESUCC's financial statements.

Significant Issues Discussed, or Subject to Correspondence, with Management

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management throughout our fieldwork.

Other Communications

We were provided by management with a management representation letter, which is the other communication between management and us.

Significant Difficulties Encountered During the Audit

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

Sincerely,



Don Dunlap, CPA
Assistant Deputy Auditor