

December 28, 2025

Board of Commissioners
Morrow County
Heppner, OR

This letter is to inform the Board of Commissioners of Morrow County (the “County”) about significant matters related to the conduct of our audit as of and for the year ended June 30, 2025, so that it can appropriately discharge its oversight responsibility and we comply with our professional responsibilities.

Auditing standards generally accepted in the United States of America (AU-C 260, *The Auditor’s Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Our Responsibilities With Regard to the Financial Statement Audit

Our responsibility under auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States have been described to you in our engagement letter dated June 19, 2025. The audit of the basic financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.

Overview of the Planned Scope and Timing of the Financial Statement Audit

We have issued a separate communication dated June 19, 2025 regarding the planned scope and timing of our audit and identified significant risks.

Significant Accounting Practices, Including Policies, Estimates and Disclosures

In our meeting with you, we will discuss our views about the qualitative aspects of the County’s significant accounting practices, including significant accounting policies, significant unusual transactions, accounting estimates and financial statement disclosures. The following is a list of the matters that will be discussed, including the significant estimates, which you may wish to monitor for your oversight responsibilities of the financial reporting process:

Accounting Policies

Management has the ultimate responsibility for the appropriateness of the accounting policies used by the County. The following is a description of significant accounting policies or their application that were either initially adopted or changed during the year:

- Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. The implementation of this standard resulted in a change in accounting principle and a restatement to beginning net position.

- Governmental Accounting Standards Board Statements (GASB) No. 102, *Certain Risk Disclosures*. The adoption of this standard had no effect on the County's financial statements.

Significant Accounting Estimates

Accounting estimates are an integral part of the preparation of financial statements and are based upon experience about past and current events, and certain assumptions about future events. You may wish to monitor throughout the year the process used to determine and record these accounting estimates. We evaluated the key factors and assumptions used by management to develop the significant estimates reflected in the financial statements and determined that they are reasonable in relation to the basic financial statements taken as a whole.

The following summarizes the significant accounting estimates reflected in the County's financial statements:

- Inventory value has been estimated by management on cost to produce and volume of rock processed.
- Fair value of investments has been estimated by management based on observable market values as provided by custodians of the assets.
- In the statements of activities, the costs of capital assets are allocated over their estimated useful lives as depreciation expense. In determining the estimated useful life of an asset, management considers the asset's present condition, use of the asset, construction type, maintenance policy, and how long it is expected to meet service and technology demands.
- Compensated absence balances are based on salary-related payments directly and incrementally associated with leave payments are included in the liability measurement. Certain types of leave—such as parental leave, military leave, and jury duty—are excluded from recognition until the leave commences. We evaluated these assumptions and deemed this estimate reasonable in relation to the financial statements taken as a whole.
- The net pension liability reflected in the financial statements represents the proportionate share of the amount by which the total pension liability on the Oregon PERS exceeds the Oregon PERS' fiduciary net position. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. The Oregon PERS has hired an external actuarial specialist to assist in the measurement of such liability. The total pension liability was measured by the Oregon PERS using the entry age actuarial cost method based on the actuarial present value of projected benefit payments that is attributed to past periods of employee service. The methods and assumptions used were based on the 2022 Experience Study which reviewed experience for the four-year period ending on December 31, 2022.

- The total other postemployment benefits (OPEB) liability was determined based on an actuarial valuation as of July 1, 2024. The County has hired an external actuarial specialist to assist in the measurement of such liability. The total OPEB liability was measured using the entry age actuarial cost method based on the actuarial present value of projected benefit payments that is attributed to past periods of employee service. The present value of the total OPEB liability was determined using a discount rate of 3.93% based on the 20-year, tax exempt municipal bond rate with average rating of AA/Aa or higher.

Significant disclosures

- The disclosure of restatements and changes in accounting principle in Note 3 to the financial statements resulting from implementation of GASB Statement No. 101.
- The disclosure of cash, cash equivalents and investments in Note 4 to the financial statements which describes the liquid assets available for operations of the County.

Audit Adjustments and Uncorrected Misstatements

Management corrected the material misstatements in the attached schedule that were identified as a result of our audit procedures.

Additionally, we identified an uncorrected misstatement below that management has concluded is not, individually or in the aggregate, material to the financial statements. We agree with management’s conclusion in that regard.

Number	Date	Name	Account No	Reference	Debit	Credit
PAJE#1	6/30/2025	Accounts Receivable	248-100-1-10-2300	8151	285,165.00	
PAJE#1	6/30/2025	Unavailable revenue	248-100-1-10-7000	8151		285,165.00
To record passed adjustment for opioid settlement funds						
					285,165.00	285,165.00

Departure From the Auditor’s Standard Report - Expected Emphasis-of-Matter Paragraph

Effective July 1, 2024, the County adopted the provisions of GASB Statements No. 101, *Compensated Absences* and GASB Statement 102, *Certain Risk Disclosures*. In light of this matter, we will include an emphasis-of-matter paragraph in the auditor’s report. Additionally, the County reported an error correction. Below is a draft of the paragraph to be included in the auditor’s report.

Emphasis of Matter

As of July 1, 2024, the County implemented the requirements of Governmental Accounting Standards Board (“GASB”) Statement 101, *Compensated Absences*. As discussed in Note 3, the County reported a restatement to the beginning balance due to this new standard. Additionally, the County reported an error correction. Our opinions are not modified with respect to this matter.

Consultation With Other Accountants

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Other Matters

Pursuant to professional standards, our responsibility as auditors for other information in documents containing the County's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have read the information and considered whether such information, or the manner of its presentation, was materially inconsistent with its presentation in the financial statements.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused 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.

Shared Responsibilities: AICPA Independence

Independence is a **joint responsibility** and is managed most effectively when management, audit committees (or their equivalents), and audit firms work together in considering compliance with American Institute of Certified Public Accountants (AICPA) and *Government Accountability Office* (GAO) independence rules. For SingerLewak to fulfill its professional responsibility to maintain and monitor independence, management, the Board of Commissioners, and SingerLewak each play an important role.

Our Responsibilities

- AICPA and GAO rules require independence both of mind and in appearance when providing audit and other attestation services. SingerLewak is to ensure that the AICPA and GAO's General Requirements for performing non-attest services are adhered to and included in all letters of engagement.
- Maintain a system of quality management over compliance with independence rules and firm policies.

The Organization's Responsibilities

- Timely inform SingerLewak, before the effective date of transactions or other business changes, of the following:
 - New component units, County officials, or officers
- Provide necessary component unit information such as new or updated organization structure charts, as well as financial information required to perform materiality calculations needed for making affiliate determinations.
- Understand and conclude on the permissibility, prior to the County and its component units, County officials, or persons in a decision-making capacity, engaging in business relationships with SingerLewak.

Board of Commissioners
Morrow County
Heppner, Oregon
December 28, 2025
Page 5

- Not entering into arrangements of nonaudit services resulting in SingerLewak being involved in making management decisions on behalf of the Organization.
- Not entering into relationships resulting in close family members of SingerLewak covered persons, temporarily or permanently acting as an officer, director, or person in an accounting or financial reporting oversight role at the County.

Management Representations

Attached is a copy of the management representation letter.

Closing

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to continue to be of service to the County.

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

SingerLewak LLP

Morrow County

Year End: June 30, 2025

Recorded Misstatements

Date: 7/1/2024 To 6/30/2025

Number	Date	Name	Account No	Annotation	Debit	Credit	Recurrence	Misstatement	
AJE#1	6/30/2025	BEGINNING FUND BALANCE	101-100-3-01-0101		44,283.00				
AJE#1	6/30/2025	STATE GRANTS	101-114-3-30-4010			-44,283.00			
AJE#1	6/30/2025	BEGINNING FUND BALANCE	206-100-3-01-0101						
AJE#1	6/30/2025	INTEREST INCOME	206-100-3-65-0100						
AJE#1	6/30/2025	BEGINNING FUND BALANCE	215-100-3-01-0101		23.00				
AJE#1	6/30/2025	XFR FROM PROGRAMMIN	215-125-3-90-9217			-23.00			
AJE#1	6/30/2025	BEGINNING FUND BALANCE	216-100-3-01-0101			-2.00			
AJE#1	6/30/2025	INTEREST INCOME	216-100-3-65-0100		2.00				
AJE#1	6/30/2025	BEGINNING FUND BALANCE	217-100-3-01-0101			-23.00			
AJE#1	6/30/2025	XFR TO COMPUTER EQU	217-125-5-50-8215		23.00				
AJE#1	6/30/2025	BEGINNING FUND BALANCE	222-100-3-01-0101			-68.00			
AJE#1	6/30/2025	XFR TO GENERAL FUND	222-100-5-50-8101		68.00				
AJE#1	6/30/2025	BEGINNING FUND BALANCE	241-100-3-01-0101						
AJE#1	6/30/2025	INTEREST INCOME	241-100-3-65-0100						
AJE#1	6/30/2025	BEGINNING FUND BALANCE	245-100-3-01-0101		87,709.00				
AJE#1	6/30/2025	FEDERAL GRANTS	245-116-3-30-4000			-87,709.00			
AJE#1	6/30/2025	BEGINNING FUND BALANCE	500-100-3-01-0101		252.00				
AJE#1	6/30/2025	Transfer in (SL placeholder)	500-125-3-90-9217			-252.00			
AJE#1	6/30/2025	BEGINNING FUND BALANCE	501-100-3-01-0101			-184.00			
AJE#1	6/30/2025	XFR TO GENERAL FUND	501-501-5-50-8101		184.00				
		To adjust beginning fund balance variances						Factual	
AJE#3	6/30/2025	AP PENDING DUE TO POOL	516-100-2-10-1599			-1,287.00			
AJE#3	6/30/2025	TAX TURNOVER	516-516-5-50-7050		1,287.00				
		To correct AP debit balances						Factual	
					133,831.00	-133,831.00			



MORROW COUNTY FINANCE DEPARTMENT

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Kevin C. Ince
County Accountant & Finance Director
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December 28, 2025

SingerLewak LLP
1255 Lee Street SE, Suite 210
Salem, OR 97302

This representation letter is provided in connection with your audit of the basic financial statements of Morrow County (the "County") as of and for the year ended June 30, 2025 for the purpose of expressing an opinion on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

We confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves, that as of date of this letter:

Financial Statements

We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 19, 2025, for the preparation and fair presentation of the financial statements referred to above in accordance with U.S. GAAP.

We acknowledge our responsibility for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

We acknowledge our responsibility for the design, implementation and maintenance of controls to prevent and detect fraud.

The methods, data, and significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in the context of U.S. GAAP, and reflect our judgment based on our knowledge and experience about past and current events, and our assumptions about conditions we expect to exist and courses of action we expect to take.

Related-party transactions have been recorded in accordance with the economic substance of the transaction and appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP. Types of related party transactions engaged in by the County include:

Those with component units for which the County is accountable.

Those with other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Interfund transactions, including interfund accounts and advances receivable and payable, sale and purchase transactions, interfund transfers, long-term loans, leasing arrangements and guarantees.

All funds that meet the quantitative criteria in GASB Statement No. 34; *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, as amended, and No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus—an amendment of GASB Statements No. 21 and No. 34*, for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

The financial statements properly classify all funds and activities in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as amended.

The County followed either its established accounting policy regarding which resources (that is, restricted, committed, assigned or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available or followed paragraph 18 of GASB Statement No. 54 to determine the fund balance classifications for financial reporting purposes.

The financial statements include all fiduciary activities required by GASB Statement No. 84, *Fiduciary Activities*, as amended.

All events subsequent to the date of the financial statements, and for which U.S. GAAP requires adjustment or disclosure, have been adjusted or disclosed.

The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.

Except for the noncompliance items reported in the Independent Auditor's Report Required by Oregon State Regulations, management has followed applicable laws and regulations in adopting, approving and amending budgets.

Risk disclosures associated with deposit and investment securities and derivative transactions are presented in accordance with GASB requirements.

Provisions for uncollectible receivables have been properly identified and recorded, when applicable.

Capital assets, including infrastructure, intangible assets, and right of use assets are properly

capitalized, reported and, if applicable, depreciated.

The County properly separated information in debt disclosures related to direct borrowings and direct placements of debt from other debt and disclosed any unused lines of credit, collateral pledged to secure debt, terms in the debt agreements related to significant default or termination events with finance-related consequences and significant subjective acceleration clauses in accordance with GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*.

Components of net position (net investment in capital assets, restricted, and unrestricted) and classifications of fund balance (non-spendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.

Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.

Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.

Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.

The County's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and appropriately disclosed and that net position is properly recognized under the policy.

The government disclosed tax abatements entered into by other governments that affect its revenues, including the names of the governments that entered into the agreements, the specified taxes being abated, and the gross dollar amount of taxes abated during the period, as required by GASB Statement No. 77.

In the audit engagement letter dated June 19, 2025, we requested that you perform the following accounting services in connection with your audit:

- a. Draft the financial statements and related note disclosures;

Post-closing entries based on information provided by management; and

Input the Data Collection Form information to the Federal Audit Clearinghouse

With respect to these services:

- a. We have made all management decisions and performed all management functions;

We assigned an appropriate individual to oversee the services;

We evaluated the adequacy and results of the services performed, and made an informed judgment on the results of the services performed;

We have accepted responsibility for the results of the services; and

We have accepted responsibility for all significant judgments and decisions that were made.

We have no direct or indirect legal or moral obligation for any debt of any organization, public or private, that is not disclosed in the financial statements.

We have complied with all aspects of laws, regulations and provisions of contracts and agreements that would have a material effect on the financial statements in the event of noncompliance.

We have reviewed the GASB Statements effective for the fiscal year ending June 30, 2025, and concluded the implementation of the following Statements did not have a material impact on the basic financial statements

- a. GASB Statement No. 102, *Certain Risk Disclosures*

We believe the implementation of the GASB Statements listed below is appropriate:

- a. GASB Statement No. 101, *Compensated Absences* – Implementation of this standard resulted in restatement to the beginning fund balance and net position.

As of and for the year ended June 30, 2025, we believe that the effects of the uncorrected misstatements aggregated by you and summarized below are quantitatively and qualitatively immaterial, both individually and in the aggregate, to the Opioid Abatement fund and basic financial statements. For purposes of this representation, we consider items to be material, regardless of their size, if they involve the misstatement or omission of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

Number	Date	Name	Account No	Reference	Debit	Credit
PAJE#1	6/30/2025	Accounts Receivable	248-100-1-10-2300	8151	285,165.00	
PAJE#1	6/30/2025	Unavailable revenue	248-100-1-10-7000	8151		285,165.00
To record passed adjustment for opioid settlement funds						
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1. We agree with the restatement of the previously issued financial statements discussed in Note 3. In that regard:

- a. The restatement corrects an error in those financial statements.
- b. We were not aware of the error when those financial statements were issued.

- c. We are not aware of any other errors in those financial statements.

We do not believe it is necessary to recall those financial statements, and all users of those financial statements will receive a copy of the current year's financial statements and independent auditor's report.

Information Provided

We have provided you with:

- d. Access to all information of which we are aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation and other matters.
- e. Additional information that you have requested from us for the purpose of the audit.
- f. Unrestricted access to persons within the County from whom you determined it necessary to obtain audit evidence.
- g. Minutes of the meetings of the Board of Commissioners, or summaries of actions of recent meetings for which minutes have not yet been prepared.

All transactions have been recorded in the accounting records and are reflected in the basic financial statements.

We have disclosed to you the results of our assessment of risk that the basic financial statements may be materially misstated as a result of fraud.

We have no knowledge of allegations of fraud or suspected fraud affecting the County's basic financial statements involving:

- a. Management.
- b. Employees who have significant roles in internal control.
- c. Others where the fraud could have a material effect on the basic financial statements.

We have no knowledge of any allegations of fraud or suspected fraud affecting the County's basic financial statements received in communications from employees, former employees, analysts, regulators, or others.

We have no knowledge of noncompliance or suspected noncompliance with laws and regulations.

We are not aware of any pending or threatened litigation, claims or assessments; unasserted claims or assessments that are probable of assertion and must be disclosed in accordance with

Government Accounting Standards Board (GASB) Codification Section C50, Claims and Judgments; or other matters, including gain or loss contingencies, whose effects should be considered when preparing the financial statements.

We have disclosed to you the identity of all of the County's related parties and all the related-party relationships and transactions of which we are aware.

We are aware of no deficiencies in internal control over financial reporting, including significant deficiencies or material weaknesses, in the design or operation of internal controls that could adversely affect the County's ability to record, process, summarize and report financial data.

There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

It is our responsibility to inform you of all current and potential affiliates of the County as defined by the "State and Local Government Client Affiliates" interpretation (ET sec. 1.224.020). Financial interests in, and other relationships with, affiliates of the County may create threats to independence. We have:

- a. Provided you with all information we are aware of with respect to current and potential affiliates, including degree of influence assessments and materiality assessments.
- b. Notified you of all changes to relevant considerations that may impact our determination of the existence of current or potential affiliates involving (i) changes in the determination of the materiality of an entity to the County's financial statements as a whole, (ii) the level of influence the County has over an entity's financial reporting process or (iii) the level of control or influence the County or a potential or current affiliate has over an investee that is not trivial or clearly inconsequential, sufficiently in advance of their effective dates to enable the County and SingerLewak LLP to identify and eliminate potential impermissible services and relationships between SingerLewak LLP or its associated entities and those potential affiliates, prior to the effective dates.
- c. Made you aware, to the best of our knowledge and belief, of any nonaudit services that the County or any of our affiliates has engaged SingerLewak LLP or any of its associated entities to perform.

We believe that the actuarial assumptions and methods used by the actuary for funding purposes and for determining accumulated Plan benefits are appropriate in the circumstances. We did not give instructions, or cause any instructions to be given, to the actuary with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the plan's actuary.

We believe that the information obtained from the audited financial statements and other participant information provided by Oregon PERS is appropriate in the circumstances. We did not give instructions, or cause any instructions to be given, to the plan or its auditor in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the plan or its auditor.

During the course of your audit, you may have accumulated records containing data that should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.

Supplementary Information

With respect to supplementary information presented in relation to the basic financial statements as a whole:

- a. We acknowledge our responsibility for the presentation of such information.
- b. We believe such information, including its form and content, is fairly presented in accordance with U.S. GAAP.
- c. The methods of measurement or presentation have not changed from those used in the prior period.
- d. The significant assumptions or interpretations underlying the measurement or presentation of the combining statements and individual fund schedules and the basis for our assumptions and interpretations are reasonable and appropriate in the circumstances.
- e. When supplementary information is not presented with the audited basic financial statements, we will make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and the auditor's report thereon.

With respect to the Budgetary Comparison Schedules for the General and major special revenue funds, Management's Discussion and Analysis, the Schedule of Net Pension Liability and Changes in Net Pension Liability, the Schedule of Employer Contributions, the Schedule of Investment Rate of Return, and the Schedule of Changes in the County's Total Other Postemployment Benefit Liability and Related Ratios are presented as required by U.S. GAAP to supplement the basic financial statements:

- a. We acknowledge our responsibility for the presentation of such required supplementary information.
- b. We believe such required supplementary information is measured and presented in accordance with guidelines prescribed by U.S. GAAP.
- c. The methods of measurement or presentation have not changed from those used in the prior period.
- d. The significant assumptions or interpretations underlying the measurement and presentation of the Required Supplementary Information and the basis for our assumptions and interpretations are reasonable and appropriate in the circumstances.

Compliance Considerations

In connection with your audit conducted in accordance with *Government Auditing Standards*, we confirm that management:

Is responsible for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework.

Is responsible for compliance with the laws, regulations and provisions of contracts and grant agreements applicable to the auditee.

Is not aware of any instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements.

Is responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Acknowledges its responsibility for the design, implementation and maintenance of controls to prevent and detect fraud.

Has taken timely and appropriate steps to remedy identified or suspected fraud or noncompliance with provisions of laws, regulations, contracts, and grant agreements that the auditor reports.

Has a process to track the status of audit findings and recommendations.

Has identified for the auditor previous audits, attestation engagements and other studies related to the objectives of the audit and whether related recommendations have been implemented.

Is not aware of any investigations or legal proceedings that have been initiated with respect to the period under audit.

Has provided views on the auditor's reported findings, conclusions and recommendations, as well as management's planned corrective actions, for the report.

Acknowledges its responsibilities as it relates to non-audit services performed by the auditor, including that it assumes all management responsibilities; that it oversees the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge or experience; that it evaluates the adequacy and results of the services performed; and that it accepts responsibility for the results of the services

In connection with your audit of federal awards conducted in accordance with Subpart F of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), we confirm:

Management is responsible for complying, and has complied, with the requirements of Uniform Guidance.

Management is responsible for understanding and complying with the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of its federal programs.

Management is responsible for the design, implementation, and maintenance, and has designed, implemented and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that the auditee is managing federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal award that could have a material effect on its federal programs.

Management is responsible for the preparation of the schedule of expenditures of federal awards, acknowledges and understands its responsibility for the presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; believes the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with the Uniform Guidance; asserts that methods of measurement or presentation have not changed from those used in the prior period, or if the methods of measurement or presentation have changed, the reasons for such changes have been communicated; and is responsible for any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

Management will make the audited financial statements readily available to the intended users of the schedule no later than the issuance date by the entity of the schedule of expenditures of federal awards and the auditor's report thereon.

Management has identified and disclosed all of its government programs and related activities subject to the Uniform Guidance compliance audit.

Management has identified and disclosed to the auditor the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program.

Management has made available all federal awards (including amendments, if any) and any other correspondence relevant to federal programs and related activities that have taken place with federal agencies or pass-through entities.

Management has identified and disclosed to the auditor all amounts questioned and all known noncompliance with the direct and material compliance requirements of federal awards or stated that there was no such noncompliance.

Management believes that the auditee has complied with the direct and material compliance requirements.

Management has made available all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.

Management has provided to the auditor its interpretations of any compliance requirements that are subject to varying interpretations.

Management has provided all communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.

There are no findings and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.

Management is responsible for taking corrective action on audit findings of the compliance audit that meets the requirements of the Uniform Guidance.

Management has provided the auditor with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.

There are no subsequent events that provide additional evidence with respect to conditions that existed at the end of the reporting period that affect noncompliance during the reporting period.

Management has disclosed all known noncompliance with direct and material compliance requirements occurring subsequent to the period covered by the auditor's report or stated that there were no such known instances.

Management has disclosed whether any changes in internal control over compliance or other factors that might significantly affect the County's system of internal control, including any corrective action taken by management with regard to significant deficiencies and material weaknesses in internal control over compliance, have occurred subsequent to the period covered by the auditor's report.

Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared.

The copies of federal program financial reports provided to the auditor are true copies of the reports submitted, or electronically transmitted, to the federal agency or pass-through entity, as applicable.

Management has monitored subrecipients, as necessary, to determine that they have expended pass-through assistance in accordance with applicable laws and regulations and the terms and conditions of the subaward and have met the other pass-through entity requirements of the

Uniform Guidance.

Management has considered the results of subrecipient monitoring and audits, and has made any necessary adjustments to the auditee's own books and records.

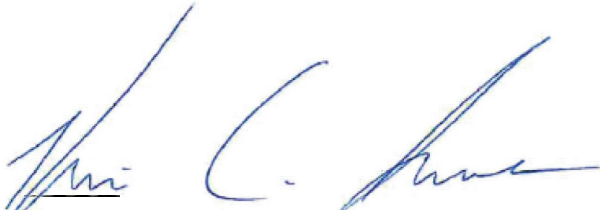
Management has charged costs to federal awards in accordance with applicable cost principles.

Management is responsible for, and has accurately prepared, the summary schedule of prior audit findings to include all findings required to be included by Uniform Guidance.

The reporting package does not contain protected personally identifiable information.

Management has accurately completed the appropriate sections of the data collection form.

Morrow County

A handwritten signature in blue ink, appearing to read "Kevin C. Ince". The signature is fluid and cursive, with a large initial "K" and "I".

Kevin Ince, Finance Director