



June 25<sup>th</sup>, 2025

Port Orford-Langlois School District 2-CJ

Attn: Board of Directors and Tara Garratt, Business Manager

45525 HWY 101

Sixes, Oregon 97476

We have audited the financial statements of the governmental activities, the business-type activities (if any) the aggregate remaining fund information (if applicable), and each major fund, of the Port Orford-Langlois School District 2-CJ as of and for the year ended June 30<sup>th</sup>, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated April 3<sup>rd</sup>, 2024. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Matters

##### *Qualitative Aspects of Accounting Practices*

- Management is responsible for the selection and use of appropriate accounting policies.
- The significant accounting policies used by Port Orford-Langlois School District 2-CJ are described in the financial statements.
- No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year.
- I noted no transactions entered into by Port Orford-Langlois School District 2-CJ 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.
- The financial statement disclosures are neutral, consistent, and clear.

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 estimate affecting the District's financial statements was:

- Capital Assets - Estimates of values of the District's capital assets is based on both actual and estimated historical costs. We evaluated the key factors and assumptions used to develop the capital asset valuations and depreciation of the value of the assets in determining those values.

We believe the estimated values are reasonable in relation to the financial statements taken as a whole.

- PERS and OPEB Liabilities and Deferred Balances – Liability and deferred inflow and outflow balances are provided by actuaries using a wide range of assumptions and estimations. The details of those assumptions and estimates are described in the notes to the financial statements found in the annual financial report.

We found that 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.

#### *Corrected and Uncorrected Misstatements*

Professional standards require me to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements, if any. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

#### *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 auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

#### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated June 22<sup>nd</sup>, 2025.

#### *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 Port Orford-Langlois School District 2-CJ's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with me to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

#### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Port Orford-Langlois School District 2-CJ's

auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### Other Matters

We applied certain limited procedures to management's discussion and analysis, the major governmental budgetary comparison schedules, and the pension schedules, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the management discussion and analysis and do not express an opinion or provide any assurance on the management discussion and analysis. We did audit the remaining RSI and issued our opinion on those statements and schedules in our auditors report.

We were engaged to report on the non-major funds budgetary comparison schedules and additional supporting schedules, if any, which accompany the financial statements but are not RSI. With respect to the supplementary information accompanying the financial statements, 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, 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.

Management is responsible for the other information included in the annual report. The other information comprises additional schedules listed in the Other Information section of the Table of Contents but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion of any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basis financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it our report.

### Restriction on Use

This information is intended solely for the use of Board of Directors and management of Port Orford-Langlois School District 2-CJ and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in blue ink that reads "Ash Lakhani" followed by a horizontal line.

Ash Lakhani Farishta, CPA  
Umpqua Valley Financial, LLC