

December 5, 2024

To the Board of Education  
Waunakee Community School District  
Waunakee, Wisconsin

Dear Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Waunakee Community School District (the "District") for the year ended June 30, 2024. Professional standards require that we provide you with the following information related to the audit:

***Our Responsibility Under Auditing Standards Generally Accepted in the United States and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and State of Wisconsin Single Audit Guidelines.***

As stated in our engagement letter dated January 10, 2024, 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 accounting principles generally accepted in the United States. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered Waunakee Community School District'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 also considered internal control over compliance with requirements that could have a direct and material effect on a major federal and state 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 and State of Wisconsin Single Audit Guidelines.

As part of obtaining reasonable assurance about whether Waunakee Community School District's financial statements are free of material misstatement, we performed 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 and State of Wisconsin Single Audit Guidelines, we examined, on a test basis, evidence about Waunakee Community School District's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement and State of Wisconsin Single Audit Guidelines applicable to each of its major federal and state programs for the purpose of expressing an opinion on Waunakee Community School District's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on Waunakee Community School District's compliance with those requirements.

**Planned Scope and Timing of the Audit**

We performed the audit accordingly to the planned scope, timing, and with respect to significant risks identified by us, all of which were previously communicated in our letter dated June 11, 2024, in addition to our engagement letter dated January 10, 2024, accepted by management.

## **Significant Audit Matters**

### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. In accordance with our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Waunakee Community School District are described in Note 1 to the financial statements. A new accounting policy related to Governmental Accounting Standards Board Statement 100, Accounting Changes and Error Corrections was implemented during the year and was determined to have no significant impact on the financial statements

We noted no transactions entered into by the District 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.

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 financial statements were the significant useful lives in calculating accumulated depreciation, the net OPEB liability and the net pension liability.

Management's estimate of the accumulated depreciation is based on expected useful lives of property and equipment and the net pension liability, and net OPEB liability is based on actuarial information. We evaluated the key factors and assumptions used to develop the useful lives in determining that it is reasonable in relation to the financial statements taken as a whole.

### *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 us 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. We proposed no audit adjustments that could, in our judgement, either individually or in the aggregate, have a significant effect on the Districts financial reporting process.

### *Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as 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 were 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 December 5, 2024.

### *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 the District’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 us 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 the District’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**

#### *Required Supplementary Information Accompanying Audited Financial Statements*

We applied certain limited procedures to the management discussion and analysis, budgetary comparison schedule – general fund, the Schedules of the Employer's Proportionate Share of the Net Pension Liability (Asset) and Employer Contributions - Wisconsin Retirement System, and the Schedules of Changes in Net OPEB Liability and Related Ratios and Employer Contributions, 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 RSI and do not express an opinion or provide any assurance on the RSI.

#### *Supplementary Information Accompanying Audited Financial Statements*

We were engaged to report on the combining financial statements and the schedules of expenditures of federal awards and state financial assistance, 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, 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.

#### *Other Information in Documents Containing Audited Financial Statements*

The auditor’s responsibility for other information in documents containing audited financial statements does not extend beyond the financial information identified in our report, and we have no obligation to perform any procedures to corroborate other information contained in a document. Our responsibility is to read the other information and consider whether such information, or the manner of its presentation, is materially inconsistent with information, or the manner of its presentation, appearing in the financial statements. We have read the Data Collection Form and have found no material inconsistencies with the information appearing in the audited financial statements.

We are not aware of any documents or other information containing audited financial statements and, furthermore, management has not requested us to devote attention to any documents containing audited financial statements.

### Internal Control Matters

In planning and performing our audit of the financial statements of Waunakee Community School District as of and for the year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing our audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing opinions on the effectiveness of the District's internal control. Accordingly, we do not express opinions on the effectiveness of the District'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 reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and corrected on a timely basis.

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. 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 may exist that have not been identified.

This communication is intended solely for information and use of Board of Education and, if appropriate, management of Waunakee Community School District, and is not intended to be, and should not be used by anyone other than these specified parties

We appreciate the opportunity to be of service to Waunakee Community School District.

Sincerely,

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP