



# County of Eastland

## County Auditor

100 West Main St., Suite 205  
Eastland, Texas 76448

Phone ( 254 ) 629-1082

Fax ( 254 ) 629-2080

April 22, 2021

Condley and Company, L.L.P.  
P.O. Box 2993  
Abilene, Texas 79604

This representation letter is provided in connection with your audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Eastland County, Texas as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, 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, that as of April 22, 2021:

### ***Financial Statements***

1. We have fulfilled our responsibilities, as set out in the terms of the audit arrangement letter dated February 8, 2021, for the preparation and fair presentation of the financial statements referred to above in accordance with U.S. GAAP.
2. 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.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal controls to prevent and detect fraud.
4. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable and reflect our judgment based on our knowledge and experience about past and current event and our assumptions about conditions we expect to exist and courses of action we expect to take.
5. Related-party transactions, including those with the primary government having accountability for Eastland County, Texas, component units for which Eastland County, Texas is accountable, other organizations for which the nature and significance of their relationship with Eastland County, Texas are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete, joint ventures in which Eastland County, Texas has an interest, and jointly governed organizations in which Eastland County, Texas participates, and interfund transactions, including interfund accounts and advances receivable and payable, sale and purchase transactions, interfund transfers, long-term loans, leasing arrangements, and guarantees, 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.

6. 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.
7. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
8. We have identified for you all organizations that are a part of this reporting entity or with which we have a relationship, as these organizations are defined in Section 2100 of the Governmental Accounting Standards Board's Codification of Governmental Accounting and Financial Reporting Standards, that are:
  - a. Component units.
  - b. Other organizations for which the nature and significance of their relationship with Eastland County, Texas are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.
  - c. Jointly governed organizations in which we participated.
9. We have identified for you all of our funds, governmental functions, and identifiable business-type activities.
10. We have properly classified all funds and activities.
11. We have properly determined and reported the major governmental and enterprise funds based on the required quantitative criteria. We have determined the following funds to be major for public interest reasons: General, Road and Bridge, and Grant fund. We believe that all judgmentally determined major funds are particularly important to the financial statement users.
12. We are responsible for compliance with laws and regulations applicable to Eastland County, Texas including adopting, approving, and amending budgets.
13. We have identified and disclosed to you all laws and regulations that have a direct and material effect on the determination of financial statement amounts including legal and contractual provisions for reporting specific activities in separate funds.
14. We are responsible for determining that significant events or transactions that have occurred since the balance sheet date and through April 22, 2021 have been recognized or disclosed in the financial statements. No events or transactions other than those disclosed in the government wide financial statements have occurred subsequent to the balance sheet date and through April 22, 2021 that would require recognition or disclosure in the government wide financial statements. We further represent that as of April 22, 2021, the financial statements were complete in a form and format that complied with accounting principles generally accepted in the United States of America, and all approvals necessary for issuance of the financial statements had been obtained.
15. There are no unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with Statement of Financial Accounting Standards No. 5 and/or GASB No. 10.
16. 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 statement.
17. We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
18. We have informed you of all uncorrected misstatements in the financial statements.

As of and for the Year Ended September 30, 2020

We believe that the effects of the uncorrected misstatements aggregated by you and summarized below are immaterial, both individually and in the aggregate to the opinion units of the 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.

Description	Effect — Increase (Decrease)				
	Assets	Liabilities	Net Assets	Revenue	Expense
None					

**Information Provided**

19. We have provided you with:
  - a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters;
  - b. Additional information that you have requested from us for the purpose of the audit;
  - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence; and
  - d. Minutes of the meetings of the governing board and committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.
20. All transactions have been recorded in the accounting records and are reflected in the financial statements.
21. We have disclosed to you the results of our assessment of risk that the financial statements may be materially misstated as a result of fraud.
22. We have no knowledge of allegations of fraud or suspected fraud, affecting the entity's financial statements involving:
  - a. Management.
  - b. Employees who have significant roles in the internal control.
  - c. Others where the fraud could have a material effect on the financial statements.
23. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements received in communications from employees, former employees, analysts, regulators, short sellers, or others.
24. We have no knowledge of noncompliance or suspected noncompliance with laws and regulations whose effects were considered when preparing financial statements.
25. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.
26. We have disclosed to you the identity of the entity's related parties and all the related-party relationships and transactions of which we are aware.
27. We are aware of no significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the Entity's ability to record, process, summarize, and report financial data.
28. We are aware of no communications from regulatory agencies concerning noncompliance with or deficiencies in, financial reporting practices.

### **Compliance Considerations**

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

29. Is responsible for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework.
30. Is responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to the auditee.
31. Has identified and disclosed to the auditor all instances that have occurred, or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
32. Has identified and disclosed to the auditor all instances that have occurred, or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that have a material effect on the determination of financial statement amounts.
33. Has identified and disclosed to the auditor all instances that have occurred, or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements.
34. 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.
35. Acknowledges its responsibility for the design, implementation and maintenance of internal controls to prevent and detect fraud.
36. Has taken timely and appropriate steps to remedy fraud; noncompliance with provisions of laws, regulations, contract and grant agreements; or abuse that the auditor reports.
37. Has a process to track the status of audit findings and recommendations.
38. Has identified for the auditor previous audits, attestation engagements and other studies related to the audit objectives and whether related recommendations have been implemented.
39. Has provided views on the auditor's reported findings, conclusions and recommendations, as well as management's planned corrective actions, for the report.
40. Acknowledges its responsibilities as it relates to non-audit services performed by the auditor, including a statement 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:


41. Management is responsible for complying, and has complied, with the requirements of Uniform Guidance.
42. 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.
43. Management is responsible for establishing and maintaining, and has established and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that the auditee is managing federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on its federal programs in existence prior to December 26, 2014, as well as for funding increments and new awards obtained after that date.
44. Management has prepared the schedule of expenditures of federal awards in accordance with Uniform Guidance, and has included expenditures made during the period being audited for all awards provided by federal agencies in the form of grants, federal cost reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations and other assistance.
45. Management has identified and disclosed all of its government programs and related activities subject to the Uniform Guidance.
46. 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 further identified each award resulting from programs in existence prior to December 26, 2014 and funding increments or new awards obtained after that date.
47. 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.
48. 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 not such noncompliance.
49. Management believes that the auditee has complied with the direct and material compliance requirements (except for noncompliance it has disclosed to the auditor).
50. 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.
51. Management has provided to the auditor its interpretations of any compliance requirements that are subject to varying interpretations.
52. Management has disclosed to the auditor any 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.
53. Management has disclosed to the auditor the findings received 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.

54. Management is responsible for taking corrective action on audit findings of the compliance audit and has developed a corrective action plan that meets the requirements of the Uniform Guidance (if applicable).
55. 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.
56. Management has disclosed the nature of any 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.
57. 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.
58. Management has disclosed whether any changes in internal control over compliance or other factors that might significantly affect 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.
59. 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.
60. 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.
61. If applicable, management has monitored subrecipients 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 Uniform Guidance.
62. If applicable, management has issued management decisions for audit findings that relate to federal awards it makes to subrecipients and that such management decisions are issued within six months of acceptance of the audit report by the FAC. Additionally, management has followed up to ensure that the subrecipient takes timely and appropriate action on all deficiencies detected through audits, on-site reviews and other means that pertain to the federal award provided to the subrecipient from the pass-through entity.
63. If applicable, management has considered the results of subrecipient monitoring and audits, and has made any necessary adjustments to the auditee's own books and records.
64. Management has charged costs to federal awards in accordance with applicable cost principles and the Uniform Guidance.
65. 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.
66. The reporting package does not contain protected personally identifiable information.
67. Management has accurately completed the appropriate sections of the data collection form.
68. If applicable, management has disclosed all contracts or other agreements with service organizations.
69. If applicable, management has disclosed to the auditor all communications from service organizations relating to noncompliance at those organizations.

*Supplementary Information*


70. With respect to supplementary information presented in relation to the 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 accounting principles generally accepted in the United States of America.
  - c. The methods of measurement or presentation have not changed from those used in the prior period.
  - d. When supplementary information is not presented with the audited financial statements, we will make the audited 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.
71. With respect to Management's Discussion and Analysis, Schedules of Revenues, Expenditures and Changes in Fund Balance Budget and Actual - General Fund, Road and Bridge Fund and Grant Fund, Schedule of Changes in Net Pension Liability and Related Ratios - Pension Plan, Schedule of Contributions - Pension Plan, and Schedule of Changes in Net OPEB liability and Related Ratios - Other Post-Employment Benefits - Group Term Life and Health Care presented as required by accounting principles generally accepted in the United States of America to supplement the basic financial statements:
- e. We acknowledge our responsibility for the presentation of such required supplementary information.
  - f. We believe such required supplementary information is measured and presented in accordance with guidelines prescribed by accounting principles generally accepted in the United States of America.  
The methods of measurement or presentation have not changed from those used in the prior period.
72. 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.

Eastland County, Texas




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Rex Fields, County Judge



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Andy Maxwell  
Commissioner, Precinct #1



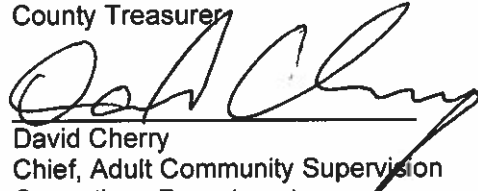
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Ronnie Wilson  
Commissioner, Precinct #3




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Christina Dodrill  
County Treasurer




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David Cherry  
Chief, Adult Community Supervision  
Corrections Department




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James Crenshaw  
Commissioner, Precinct #2



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Robert Rains  
Commissioner, Precinct #4



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Loretta Key  
County Auditor



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Robin Carouth  
Chief Juvenile Probation Officer