



Board of Trustees
Laramie County Community College
Cheyenne, Wyoming

We are pleased to present this report related to our audit of the basic financial statements of Laramie County Community College (the College) as of and for the year ended June 30, 2021. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the College's financial and related compliance reporting process.

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 and related compliance reporting process.

Our Responsibilities with Regard to the Financial Statement and Compliance Audit

Our responsibilities 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 arrangement letter dated August 16, 2021. Our audit of the 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 August 16, 2021 regarding the planned scope and timing of our audit and have discussed with you our identification of significant risks of material misstatement.

Accounting Policies and Practices

- *Accounting Policies and Practices:* Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the College are described in Note 1 to the financial statements.
- *Adoption of, or Change in, Accounting Policies:* Management has the ultimate responsibility for the appropriateness of the accounting policies used by the College. The College did not adopt any significant new accounting policies nor have there been any changes in existing significant accounting policies during the current period.
- *Significant Accounting Policies:* We did not identify any significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.
- *Significant Unusual Transactions:* We did not identify any unusual transactions.

- *Management's Judgments and Accounting Estimates:* Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. The College may wish to monitor throughout the year the process used to determine and record these accounting estimates. The following describes the significant accounting estimates reflected in the College's June 30, 2021 financial statements:
 1. **Significant Estimate:** Unavailable Property Taxes
 - *Accounting Policy:* Property taxes assessed during the year that will be levied and recognized as revenue in the subsequent year.
 - *Management's Estimation Process:* Mills of Laramie County valuation.
 - *Our Conclusion:* We evaluated the estimation process and noted it appeared reasonable.
 2. **Significant Estimate:** Scholarship Allowance
 - *Accounting Policy:* Scholarship discounts and allowances are the difference between the stated charge for the goods and services provided by the College and the amount that was paid by the students or third parties making payments on the students' behalf.
 - *Management's Estimation Process:* National Association of College and University Business Officers Guidelines.
 - *Our Conclusion:* We evaluated the estimation process and noted it appeared reasonable.
 3. **Significant Estimate:** Pension Liability
 - *Accounting Policy:* The liability of the College to employees for defined benefit pensions (net pension liability) measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the pension plan's fiduciary net position.
 - *Management's Estimation Process:* Use of the Wyoming Retirement System Governmental Accounting Standards Board Statement No. 68 Report and the College's proportionate share of the pension liability.
 - *Our Conclusion:* We evaluated the estimation process and noted it appeared reasonable.
 4. **Significant Estimate:** Postemployment Benefits Other Than Pensions (OPEB) Liability
 - *Accounting Policy:* The liability of the College to former employees for postemployment benefits (total OPEB obligation) measured as the portion of the present value of projected benefit payments to be provided through the OPEB plan to former employees that is attributed to those employees' past periods of service (total OPEB liability).
 - *Management's Estimation Process:* Use of the State of Wyoming Employee Group Insurance Retiree Health Plan actuarial valuation report and the College's proportionate share of the total OPEB liability.
 - *Our Conclusion:* We evaluated the estimation process and noted it appeared reasonable.
- *Financial Statement Disclosures:* Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the College's financial statements relate to:
 1. The disclosure of the net pension liability in Note 6 to the financial statements.
 2. The disclosure of the total OPEB liability in Note 8 to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Audit Adjustments and Uncorrected Misstatements

Audit adjustments, other than those that are clearly trivial, proposed by us and recorded by the College, as well as any adjustments provided by management of the College after presenting the original trial balance for audit, are included in the attached representation letter within the *Summary of Recorded Adjustments*.

Uncorrected misstatements are included in the attached representation letter within the *Summary of Uncorrected Misstatements*. Uncorrected misstatements or matters underlying these uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even if we have concluded that the uncorrected misstatements are immaterial to the financial statements under audit.

Disagreements with Management

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.

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

Significant Issues Discussed with Management

We generally discuss a variety of matters with management each year, including the application of accounting principles and auditing standards and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the College's auditors.

Significant Difficulties Encountered in Performing the Audit

We did not encounter any significant difficulties in dealing with management during the audit.

Significant Written Communications Between Management and Our Firm

A copy of the audit representation letter between our Firm and the management of the College is attached to this letter.

This report is intended solely for the information and use of the Board of Trustees and management, and is not intended to be, and should not be, used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to Laramie County Community College.