

September 29, 2023

Board of Education of Garrett County
Oakland, Maryland

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Board of Education of Garrett County (the Board), for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 19, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Board are described in Note 1 to the financial statements. As described in Note 9 to the financial statements, the Board changed accounting policies related to the recognition of asset and liabilities associated to subscription-based assets by adopting *Statement of Governmental Accounting Standards (GASB Statement) No. 96, Subscription-Based Information Technology Arrangements (SBITAs)*, in the year ended June 30, 2023. The accounting change had no effect on beginning balances. We noted no transactions entered into by the Board 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 estimates affecting the financial statements were:

Management's estimate of the net OPEB liability, and net pension liability which are based on an actuarial valuations of these liabilities. We evaluated the key factors and assumptions used to develop the estimate of the net OPEB liability and the net pension liability in determining that they are reasonable in relation to the financial statements taken as a whole. See Notes 12 and 13 to the financial statements for a description of the Plans and the actuarial methods and assumptions which went into developing these estimates.

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Management's estimate of the SBITA asset and liability. We evaluated the key factors and assumptions used to develop the estimate of the SBITA asset and liability in determining that they are reasonable in relation to the financial statements taken as a whole. See Note 1 (D) and Note 10 to the financial statements for the description of information which into developing these estimates.

The financial statement disclosures are neutral, consistent and clear.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. 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 September 29, 2023.

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 Board'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 Board'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 Schedule of Changes in the Board's Net OPEB Liability and Related Ratios, the Schedule of the Board's Proportionate Share of the Net Pension Liability - Maryland State Retirement and Pension System and the Schedule of the Board's Contributions - Maryland State Retirement and Pension System which are required supplementary information (RSI) that supplement 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.

We were engaged to report on other supplementary information consisting of the Schedule of Federal Awards, which accompany the basic financial statements but are not RSI. With respect to this supplementary information, 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.

Restriction on Use

This information is intended solely for the use of the Board of Education of Garrett County and Board management personnel and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

The Rodeheaver Group, P.C.

THE RODEHEAVER GROUP, PC