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Board of County Commissioners  
Franklin County, Kansas

AUDIT ENGAGEMENT LETTER

I am pleased to confirm my understanding of the services I am to provide Franklin County, Kansas (the County) for the year ended December 31, 2025.

**Audit Scope and Objectives**

I will audit the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances, including disclosures, which collectively comprise the regulatory basis financial statement of the County, as of and for the year ended December 31, 2025. I understand that the financial statement will be presented in accordance with the regulatory financial reporting model required by the *Kansas Municipal Audit and Accounting Guide* (the KMAAG). The KMAAG also provides for certain regulatory required supplementary information (RRSI). Such information, although not a part of the regulatory basis financial statement, is required by the KMAAG, which considers it to be an essential part of financial reporting for placing the regulatory basis financial statement in an appropriate context. As part of my engagement, I will subject the following RRSI to the auditing procedures applied in the audit of the regulatory basis financial statement and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with GAAS, and I will provide an opinion on it in relation to the financial statement as a whole, in a report combined with my auditor's report on the financial statement:

1. Summary of regulatory basis expenditures-actual and budget.
2. Individual fund schedules of regulatory basis receipts and expenditures-actual and budget.
3. Summary of regulatory basis receipts and expenditures-agency funds.

If an audit in accordance with the Single Audit Act Amendments of 1996 is required, I will also report on supplementary information other than RRSI that accompanies the County's regulatory basis financial statement. I will subject the following supplementary information to the auditing procedures applied in my audit of the regulatory basis financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with GAAS, and I will provide an opinion on it in relation to the financial statement as a whole, in a report combined with my auditor's report on the financial statement:

1. Schedule of expenditures of federal awards.

The objective of my audit is to obtain reasonable assurance about whether the regulatory basis financial statement, as a whole, is free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes my opinion about whether your financial statement is fairly presented, in all material respects, in conformity with the Kansas regulatory basis of accounting and to report on the fairness of the supplementary information referred to above when considered in relation to the financial statement taken as a whole. Reasonable assurance is a high level of assurance, but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statement. If an audit in accordance with the Single Audit Act Amendments of 1996 is required, the objectives of my audit also include reporting on:

- Internal control over financial reporting and compliance with the provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the regulatory basis financial statement in accordance with *Government Auditing Standards*.

- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

### **Auditor's Responsibilities for the Audit of the Financial Statement and Single Audit**

I will conduct my audit in accordance with GAAS; the *Kansas Municipal Audit and Accounting Guide*; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (if applicable); the Single Audit Act Amendments of 1996 (if applicable); and the provisions of the Uniform Guidance (if applicable), and will include tests of the accounting records, a determination of major program(s), in accordance with the Uniform Guidance (if applicable) and other procedures I consider necessary to enable me to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, I exercise professional judgment and maintain professional skepticism throughout the audit.

I will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. I will also evaluate the overall presentation of the financial statement, including the disclosures, and determine whether the financial statement represents the underlying transactions and events in a manner that achieves fair presentation. I will plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because I will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by me, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statement or on major programs. However, I will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to my attention. I will also inform the appropriate level of management of any violations of laws or governmental regulations that come to my attention, unless clearly inconsequential. I will include such matters in the reports required for a Single Audit. My responsibility as auditor is limited to the period covered by my audit and does not extend to any later periods for which I am not engaged as auditor.

I will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

My procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. I will also request written representations from your attorney as part of the engagement.

My audit of the financial statement does not relieve you of your responsibilities.

### **Audit Procedures - Internal Controls**

I will obtain an understanding of the County and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statement, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that I consider relevant to preventing and detecting errors and fraud that are material to the financial statement and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statement. My tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in my report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, I will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that I consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, my tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in my report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, I will express no such opinion. However, during the audit, I will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

### **Audit Procedures - Compliance**

As part of obtaining reasonable assurance about whether the financial statement is free of material misstatement, I will perform tests of the County's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and I will not express such an opinion in my report on compliance issued pursuant to *Government Auditing Standards* (if applicable).

The Uniform Guidance (if applicable) requires that I also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations and the terms and conditions of federal awards applicable to major programs. My procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the County's major programs. For federal programs that are included in the Compliance Supplement, my compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on the County's compliance with requirements applicable to each of its major programs in my report on compliance issued pursuant to the Uniform Guidance.

### **Responsibilities of Management for the Financial Statement and Single Audit**

My audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statement, schedule of expenditures of federal awards, and all accompanying information in conformity with the KMAAG and for compliance with applicable laws and regulations (including federal statutes), rules, and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of the financial statement, schedule of expenditures of federal awards, all financial records, and related information available to me and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing me with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statement, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that I may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom I determine it necessary to obtain audit evidence. At the conclusion of my audit, I will require certain written representations from you about the financial statement; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statement to correct material misstatements and confirming to me in the management representation letter that the effects of any uncorrected misstatements aggregated by me during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statement taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing me about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statement. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that I report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings, if applicable, should be available for my review on the date I begin the field work on your audit.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include my report on the schedule of expenditures of federal awards in any document that contains, and indicates that I have reported on, the schedule of expenditures of federal awards. You also agree to include the audited financial statement with any presentation of the schedule of expenditures of federal awards that includes my report thereon OR make the audited financial statement readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with my report thereon. Your responsibilities include acknowledging to me in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which I have been engaged to report on, in conformity with the KMAAG. You agree to include my report on the supplementary information in any document that contains, and indicates that I have reported on, the supplementary information. You also agree to include the audited financial statement with any presentation of the supplementary information that includes my report thereon OR make the audited financial statement readily available to users of the supplementary information no later than the date the supplementary information is issued with my report thereon. Your responsibilities include acknowledging to me in the written representation letter that (1) you are responsible for presentation of the RRSI in accordance with the KMAAG; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with the KMAAG; (3) the methods of measurement or presentation have not changed from those used in the prior period

(or, if they have changed, the reasons for such changes); and (4) you have disclosed to me any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to me corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on my current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

### **Other Services**

I will also assist in preparing the financial statement, schedule of expenditures of federal awards (if applicable), and related notes of Franklin County, Kansas in conformity with the Kansas regulatory basis of accounting and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. I will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement, schedule of expenditures of federal awards (if applicable), and related notes services previously defined. I, in my sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statement, schedule of expenditures of federal awards, and related notes, and any other nonaudit services I provide. You will be required to acknowledge in the management representation letter my assistance with preparation of the financial statement, the schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statement, the schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

### **Engagement Administration, Fees, and Other**

If an audit in accordance with the Single Audit Act Amendments of 1996 is required, at the conclusion of the engagement, I will complete the appropriate sections of the Data Collection Form that summarizes my audit findings. It is management's responsibility to electronically submit the reporting package (including financial statement, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse and, if appropriate, to pass-through entities. I will assist you with this process, but it remains your responsibility. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period.

I will provide copies of my reports to the County, however, management is responsible for distribution of the reports and the financial statement. Unless restricted by law or regulation, or containing privileged and confidential information, copies of my reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Rodney M. Burns, CPA, LLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the grantor or cognizant agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. I will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Rodney M. Burns, CPA, LLC personnel. Furthermore, upon request, I may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the grantor or cognizant agency. If I am aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, I will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Rodney Burns is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

My fee for the audit of the regulatory basis financial statement will be \$24,500.00, plus any direct costs (such as report production, postage, travel, copies, etc.). The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, I will keep you informed of any problems I encounter and my fees will be adjusted accordingly.

The fee referred to in the preceding paragraph does not include fees for auditing procedures as required for compliance with the Single Audit Act Amendments of 1996 or other the Uniform Guidance. The fee for such procedures, should they be required, are in addition to the above referenced fee and will be \$3,000.00 per major program required to be tested.

## **Reporting**

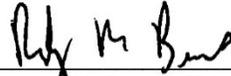
I will issue written reports upon completion of my Single Audit (if applicable). My reports will be addressed to the Board of County Commissioners of the County. Circumstances may arise in which my report may differ from its expected form and content based on the results of my audit. Depending on the nature of these circumstances, it may be necessary for me to modify my opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to my auditor's report, or if necessary, withdraw from this engagement. If my opinions are other than unmodified, I will discuss the reasons with you in advance. If, for any reason, I am unable to complete the audit or are unable to form or have not formed opinions, I may decline to express opinions or issue reports, or I may withdraw from this engagement.

The Government Auditing Standards report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

I appreciate the opportunity to be of service to Franklin County, Kansas and believe this letter accurately summarizes the significant terms of my engagement. If you have any questions, please let me know. If you agree with the terms of my engagement as described in this letter, please sign the enclosed copy and return it to me.

*Government Auditing Standards* require that I provide you with the a copy of my most recent external peer review report. This report has been provided to you previously.

Very truly yours,



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Rodney M. Burns, CPA, LLC

RESPONSE:

This letter correctly sets forth the understanding of Franklin County, Kansas.

by: \_\_\_\_\_  
Chairman

ATTEST:

Date: \_\_\_\_\_

\_\_\_\_\_  
County Clerk