

APPENDIX C
Sample Representation Letter

(To be presented on the District's or Cooperative's letterhead)

[Date] *[Note: should be same as the date of Independent Accountant's Report]*

To: [Independent Accountant]

We are providing this letter in connection with your agreed-upon procedures engagement of [name of local government] for the fiscal year ended June 30, 20_____.

We confirm, to the best of our knowledge and belief, the following representations made to you during your engagement.

- a. We acknowledge our responsibility for maintaining the accounting records and preparing the annual financial statements for [name of local government].
- b. Information presented in our annual financial statements accurately reflects the information in our underlying financial accounting system.
- c. We have made available to you all records relevant to the agreed-upon procedures.
- d. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.
- e. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.
- f. We have no knowledge of any fraud or suspected fraud affecting [name of local government] that we have not disclosed to you.
- g. We acknowledge our responsibility for complying with the specified requirements*.
- h. We acknowledge our responsibility for establishing and maintaining effective internal control over compliance.
- i. We believe we have complied with the specified requirements* and have maintained effective internal controls over that compliance.
- j. We have disclosed to you all known noncompliance.
- k. We have made available all documentation related to compliance with the specified requirements*.
- l. We have disclosed any communications from regulatory agencies, internal auditors, and other practitioners concerning possible noncompliance with the specified requirements*, including communications received between June 30, 20_____, and [date of accountant's report].
- m. We have disclosed any known noncompliance occurring subsequent to the fiscal year ending June 30, 20_____.
- n. We acknowledge that the procedures performed are appropriate for the intended purpose of the engagement.

[Authorized Representative]

Date

[Clerk/Finance Officer]

Date

**Note: Specified requirements are those legal compliance requirements in the Montana Code Annotated (MCA) referenced in the Agreed-Upon Procedures Report.*