

Board of Crawford County Commissioners

Commission Meeting Agenda

CRAWFORD COUNTY COURTHOUSE, COMMISSIONERS' BOARD ROOM
Girard, KS **Friday, January 17, 2020 10:00 AM**

I. Meeting called to order

- a. Pledge of Allegiance

II. Business from a previous meeting

a. Approval of consent agenda

i. Consent agenda additions or deletions

- 1. Approval of the **January 14, 2020** minutes of the Board of County Commissioners, and
- 2. Approval of the accounts payable warrant numbers 596047 to 596304 dated January 15, 2020 in the total amount of \$933,557.42, and
- 3. Authorizing the Chairman to sign the previous week's vouchers.

b. Signing of motions from the previous meeting

Motion 20	25	That the consent agenda be approved including: Approval of the January 10, 2020 minutes
Motion 20	26	To recess this open session and go into a closed executive session for a period of not more than 20 minutes to discuss items that would be deemed privileged in the Attorney-Client Relationship and to include the Board of County Commissioners and County Counselor Jim Emerson and to reconvene by 10:47 AM
Motion 20	27	to recess this open session and go into a closed executive session for a period of not more than 30 minutes to discuss items that would be deemed privileged in the Attorney-Client Relationship and to include the Board of County Commissioners, County Counselor Jim Emerson, Mr. Pete Peterson and Mr. Rod Turner and to reconvene by 11:25 AM

III. New Business

a. Reorganization

i. Election of the Chairman

- 1. **Passing of the gavel**

ii. Election of the Vice-Chairman

- b. Scheduled public hearings and opening of announced bids
- c. Proclamations and orders of the Board
- d. Messages from the Crawford County Local Board of Health
- e. Messages from the public
- f. Messages from appointed officials
- g. Messages from other governmental entities

Board of Crawford County Commissioners

- h. Messages from elected officials
- i. **New Business**
 - i. **Naming of the official working banks for the business of the taxpayers of Crawford County**
 - 1. GNBank
 - 2. Exchange State Bank of Girard
 - 3. Commerce Bank
 - 4. Equity Bank
 - ii. **Naming of the official newspaper publications of Crawford County**
 - 1. *The Morning Sun*
 - iii. Mr. Pyle, County Clerk
 - iv. **Mr. Emerson, County Counselor**
 - 1. Presenting Contract with Diehl Banwart Bolton for Audit Services
 - 2. Presenting Resolution #2020-003
 - v. Chairman Blair, Commissioner
 - vi. Mr. Moody, Commissioner
 - vii. Mr. Johnson, Commissioner
- IV. **Old Business**
 - a. **Old Business**
 - i. Mr. Pyle, County Clerk
 - ii. Mr. Emerson, County Counselor
 - iii. Chairman Blair, Commissioner
 - iv. Mr. Moody, Commissioner
 - v. Mr. Johnson, Commissioner
- V. **Future Business and Announcements**
 - a. **Future Business**
 - i. **January 28, 2020** -- Mr. Ed Fields, Noxious Weed Director presenting annual report.
 - b. **Announcements**
 - i. **January 20, 2020** – The Crawford County Courthouse will be closed for the Martin Luther King, Jr., Holiday.
 - ii. **January 21, 2020** – The Regular Meeting of the Crawford County Board of Commissioners is cancelled.
- VI. **Motion for adjournment**

Individuals who wish to have their name listed on the official meeting agenda should please call the County Clerk's Office (620-724-6115) by 12:00 p.m. on the day preceding the meeting at which they wish to appear. Individuals are welcome to appear without their name on the agenda. Advance notification simply makes it easier for the County Clerk's Office to prepare the agenda. Thank you. If you are an individual with special needs, please contact the County Clerk's Office in advance of your attendance at the meeting so any necessary arrangements can be made.

BOARD OF COUNTY COMMISSIONERS
CRAWFORD COUNTY, KANSAS
GIRARD, KANSAS

RESOLUTION NO. 2020-003

A RESOLUTION ESTABLISHING A WEIGHTED LOCAL PREFERENCE POLICY FOR FORMAL SEALED BIDS.

WHEREAS, the Board of County Commissioners is authorized, pursuant to K.S.A. 19-101a, to transact all county business and perform all powers of local legislation and administration it deems appropriate;

WHEREAS, the Board of County Commissioners recognizes that our residents financially support this county; and

WHEREAS, the Board of County Commissioners finds that providing local vendors with a weighted bid preference in order to keep our tax dollars in the County is desired.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Crawford County, Kansas:

Section 1. Crawford County vendors shall receive preference in the amount of 5%. The preference applies to businesses within the statutory boundary of Crawford County.

Section 2. In the case where a bidder within the county and a bidder outside the county are the lowest bidders (including the preference) then the bidder within the County would be awarded the contract.

Section 3. The weighted bidding process is subject to the following requirements:

(a) There must be at least two bids submitted. The local County vendor must comply with the bidding procedures.

(b) The weighted bidding process shall not apply to construction projects, or to combined construction projects and

equipment projects where construction costs exceed 50% of the total project.

(c) The bid must still constitute the lowest and best bid submitted.

(d) The weighted local bidders' policy is not applicable to purchases involving grant funds.

Section 4. This resolution shall become effective upon its adoption and approval by the Board of County Commissioners.

ADOPTED, APPROVED AND GIVEN by the Board of County Commissioners under our hands at the Courthouse in Girard, Crawford County, Kansas this 17th day of January 2020.

Bruce Blair, Chairman

Jeremy Johnson

Tom Moody

ATTEST:

Donald P. Pyle, County Clerk

Diehl Banwart Bolton

Certified Public Accountants P.A.

COPY FOR
YOUR INFORMATION

January 13, 2020

CONTRACT FOR SINGLE AUDIT SERVICES

To the Crawford County Commissioners
Attention: Jim Emerson, County Counselor
Crawford County Courthouse
PO Box 249
Girard, Kansas 66743

We are pleased to confirm our understanding of the services we are to provide to Crawford County, Kansas for the year ended December 31, 2019. We will audit the financial statement, including the related notes to the financial statement, which collectively comprise the basic financial statement of the Crawford County, Kansas as of and for the year ended December 31, 2019. The financial statement will be prepared in accordance with the regulatory basis of accounting in the format required by the **Kansas Municipal Audit and Accounting Guide (KMAAG)**. The regulatory basis of accounting provides for certain required supplementary information (RSI) to supplement the Crawford County, Kansas's basic financial statement. We will subject the following supplementary information to the auditing procedures applied in our audit of the 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 statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole:

- Summary of Expenditures – Actual and Budget, Regulatory Basis
- Schedule of Receipts and Expenditures – Actual and Budget, Regulatory Basis
- Summary of Receipts and Disbursements – All Agency Funds
- Schedule of Expenditures of Federal Awards

It is agreed that the basis of presentation of the financial statement will be in accordance with the regulatory basis of accounting in the format required by the **KMAAG**. It is further agreed that the City will pass a resolution to waive the requirements of law relating to the preparation of financial statements and financial reports that conform to generally accepted accounting principles as provided by K.S.A. 75-1120a(c).

Audit Objectives

The objective of our audit is the expression of an opinion as to whether your basic financial statement is fairly presented, in all material respects, in conformity with the regulatory basis of accounting and to report on the fairness of the supplementary information referred to in the first paragraph when considered in relation to the financial statement taken as a whole. The objective also includes reporting on-

- Internal control related to the financial statement and compliance with the provisions of laws, regulations, and contracts or grant agreements, noncompliance with which could have a material effect on the financial statement in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements 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).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that the purpose of the report is solely to (1) 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) that 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 include a paragraph that states 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.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the County Commissioners. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue reports, or may withdraw from this engagement.

Audit Procedures – General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement. We will plan and perform the audit to obtain reasonable rather than absolute 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 entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatement or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U. S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatement or violations of laws or governmental regulations that do not have a direct and material effect on the financial statement or major programs. However we will inform the appropriate level of management of any material errors, any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include direct confirmation of revenues and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures – Internal Controls

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statement and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statement and to preventing and detecting misstatement resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statement. Our tests, if performed, will be less in scope that would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance requirements applicable to each major federal award program. However, our 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 our 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. However, during the audit, we 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, we 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 we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we 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. Our procedures will consist of test 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. The purpose of those procedures will be to express an opinion on the County's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of Crawford County, Kansas in conformity with the 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*.

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) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us 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 fairly presented in accordance 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 other supplementary information, which we have been engaged to report on, in conformity with the regulatory basis of accounting. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statement with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of supplementary information in accordance with the regulatory basis of accounting; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with the regulatory basis of accounting; (3) the methods of measurement or presentation has not changed from those used in the prior period except for the presentation changes required under the regulatory basis of accounting; and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishment and maintenance of a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous audits attestations engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives sections of this letter. This responsibility includes relaying to us 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 our 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.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards and related notes and that you have reviewed and approved the financial statements, 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

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of and sign the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including the financial statement, schedule of expenditures of federal awards, summary schedule of prior audit

findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. 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, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

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

The audit documentation for this engagement is the property of Diehl, Banwart, Bolton, CPAs PA and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation will be made available upon request and in a timely manner to oversight agencies, including the State of Kansas, 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. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Diehl, Banwart, Bolton, CPAs P.A. personnel. Furthermore, upon request, we 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 Oversight Agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Disputes arising under this agreement (including the scope, nature and quality of services to be performed by us, our fees and other terms of the engagement) shall be submitted to mediation. A competent and impartial third party, acceptable to both parties, shall be appointed to mediate, and each disputing party shall pay an equal percentage of the mediator's fees and expenses. No suit or arbitration proceeding shall be commenced under this agreement until at least 60 days after the mediator's first meeting with the involved parties. If the dispute requires litigation, the court shall be authorized to impose all defense costs against any non-prevailing party found not to have participated in the mediation process in good faith.

It is our understanding that your intent in engaging us is that the financial statement we render to you under this agreement will be made available to the State of Kansas Municipal Accounting Section. Moreover, as of the time of this engagement, we have not been notified, in writing or otherwise, that the professional accounting services rendered under this agreement will be made available to any other person, firm or corporation for any purpose not specified hereinabove. Consequently, no other person, firm or corporation is entitled to rely upon these professional services for any purpose without our express, written agreement. This engagement letter embodies the entire agreement and understanding between the parties hereto and there are no promises, warranties, covenants or conditions made by any of the parties except as herein expressly contained. The terms and conditions of this engagement shall be governed and construed in accordance with the laws of the State of Kansas and may only be modified in writing signed by all the parties. It is agreed that venue and jurisdiction involving any matters arising out of this engagement letter is in the State of Kansas.

We expect to begin our audit in the Spring and to issue our report by June 30, 2020. Terence L. Sercer, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.). Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses.

and are payable on presentation. We will perform the audit services for an amount not to exceed \$26,925 which includes out-of-pocket costs. In accordance with our firm policies, work may be suspended if your account becomes overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. The following are examples of circumstances, which could result in an increase in fees:


- a significant change in the amount or type of accounting records maintained,
- change in personnel with a corresponding change in level and quality of work performed,
- significant state and/or federal grants requiring additional audit work including a Single Audit,
- issuance of long-term debt not identified previously for the purposes of new financing or refund of previously issued long-term debt,
- change in audit or reporting requirements due to changes in the Kansas Municipal Audit and Accounting Guide, accounting principles generally accepted in the United States of America, or general accepted auditing standards
- evidence of potential fraud, resulting in additional auditing procedures

You may request that we perform additional services not contemplated by this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

Government Auditing Standards require that we provide you with access to our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2016 peer review report is located at our website as shown on the first page of this letter.

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

Very truly yours,


DIEHL, BANWART, BOLTON, CPAs PA

RESPONSE:

This letter correctly set forth the understanding of **Crawford County, Kansas**.

Signature: _____
Chairman of the board of County Commissioners

COPIES FOR
YOUR INFORMATION

Signature: _____
County Clerk