



BERBERICH TRAHAN & CO., P.A.
Certified Public Accountants

DCCCA, INC.

Report to the Audit Committee of the Board of Directors
December 10, 2019



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Audit Committee of the Board of Directors
DCCCA, Inc.
Lawrence, Kansas

We are pleased to present this report related to our audit of the financial statements and compliance of DCCCA, Inc. (DCCCA) for the year ended June 30, 2019. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for DCCCA's financial and compliance reporting process.

This report is intended solely for the information and use of the Board of Directors 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 DCCCA.

Berberich Trahan + Co., P.A.

3630 SW Burlingame Road Topeka, Kansas 66611 | t: 785.234.3427 | toll-free: 800.530.5526 | f: 785.233.1768 | w: btandcocpa.com

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TABLE OF CONTENTS

	<u>Page</u>
Required Communications	
Our Responsibilities with Regard to the Financial Statement Audit	1
Overview of the Planned Scope and Timing of the Financial Statement Audit	1
Accounting Policies and Practices	1-2
Audit Adjustments	2
Disagreements with Management	2
Consultations with Other Accountants	2
Significant Issues Discussed with Management	2
Significant Difficulties Encountered in Performing the Audit	2
Certain Written Communications Between Management and Our Firm	3
Representation Letter	4-12

Required Communications

Generally accepted auditing standards (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 reporting process.

Area	Comments
Our Responsibilities with Regard to the Financial Statement Audit	Our responsibilities under auditing standards generally accepted in the United States of America; <i>Government Auditing Standards</i> issued by the Comptroller General of the United States; the provisions of the Single Audit Act; Uniform Guidance and OMB's <i>Compliance Supplement</i> have been described to you in our arrangement letter dated July 29, 2019.
Overview of the Planned Scope and Timing of the Financial Statement Audit	We have issued a separate communication regarding the planned scope and timing of our audit and have discussed with you our identification of and planned audit response to significant risks of material misstatement.
Accounting Policies and Practices	Preferability of Accounting Policies and Practices Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. We did not discuss with management any alternative treatments within generally accepted accounting principles for accounting policies and practices related to material items during the current audit period. Adoption of, or Change in, Accounting Policies Management has the ultimate responsibility for the appropriateness of the accounting policies used by DCCCA. Following is a description of a significant accounting policy that was adopted during the year. <ul style="list-style-type: none">• ASU No. 2016-14, Not-for-Profit Entities (Topic 958): <i>Presentation of Financial Statements of Not-for-Profit Entities</i>. This ASU changes presentation and disclosure requirements for not-for-profit entities to provide more relevant information about their

Area	Comments
	resources (and the changes in those resources) to donors, grantors, creditors, and other users.
	<p>Significant or Unusual Transactions We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</p> <p>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. You may wish to monitor throughout the year the process used to determine and record these accounting estimates.</p>
Audit Adjustments	There were no audit adjustments made to the original trial balance presented to us to begin our 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.
Consultations with Other Accountants	We are not aware of any consultations management had with other accountants about accounting or auditing matters.
Significant Issues Discussed with Management	No significant issues arising from the audit were discussed with or the subject of correspondence with management.
Significant Difficulties Encountered in Performing the Audit	We did not encounter any significant difficulties in dealing with management during the audit.

Area	Comments
Certain Written Communications Between Management and Our Firm	Copies of certain written communications between our firm and the management of DCCCA, including the representation letter provided to us by management, are attached.



3312 CLINTON PARKWAY
LAWRENCE, KS 66047

785.841.4138
785.841.5777 (FAX)
WWW.DCCCA.ORG

Berberich Trahan & Co., P.A.
3630 SW Burlingame Road
Topeka, Kansas 66611-2050

This representation letter is provided in connection with your audit of the financial statements of DCCCA, Inc. (DCCCA) which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements for the purpose of expressing an opinion on whether the financial statements are presented fairly in all material respects in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

We confirm, to the best of our knowledge and belief, as of the date of the auditors' report, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit arrangement letter dated July 29, 2019, for the preparation and fair presentation of the financial statements referred to above in accordance with U.S. GAAP.
 2. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
 3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
 4. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable and reflect our judgment based on our knowledge and experience about past and current events, and our assumptions about conditions we expect to exist and courses of action we expect to take.
 5. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
 6. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
 7. We have no knowledge of any uncorrected misstatements in the financial statements.
-

8. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
9. The following have been properly recorded and/or disclosed in the financial statements:
 - a. Investments in debt and equity securities, including their classification.
 - b. All leases and material amounts of rental obligations under long-term leases.
 - c. All significant estimates and material concentrations known to management that are required to be disclosed in accordance with the Risks and Uncertainties Topic of the FASB Accounting Standards Codification. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets for which events could occur that would significantly disrupt normal finances within the next year.
 - d. Concentrations of credit risk.
 - e. All recordable contributions, by appropriate net asset class.
 - f. Reclassifications between net asset classes.
 - g. Allocations of functional expenses based on reasonable basis.
 - h. Donor restrictions.
 - i. Deferred revenue from exchange transactions.
 - j. Assets and liabilities measured at fair value in accordance with the Fair Value Measurements and Disclosures Topic of the FASB Accounting Standards Codification, including split interest agreements.
 - k. Tax status. We have evaluated the tax positions under the two-step approach for recognition and measurement of uncertain tax positions required by the Income Taxes Topic of the FASB Accounting Standards Codification.
 - l. Board designated net assets without donor restrictions.
 - m. The effect on the financial statements of pending accounting pronouncements which have been issued, but which we have not yet adopted.
10. We have no plans or intentions that may materially affect the carrying value or classification of assets or liabilities.
11. We are responsible for making the accounting estimates included in the financial statements. Those estimates reflect our judgment based on our knowledge and experience about past and current events and our assumptions about conditions we expect to exist and courses of action we expect to take. In that regard, adequate provisions have been made:
 - a. To reduce receivables, including contributions, to their estimated net collectible amounts.
 - b. For uninsured losses or loss retentions (deductibles) attributable to events occurring through June 30, 2019 and/or for expected retroactive insurance premium adjustments applicable to periods through June 30, 2019.

12. There are no:
 - a. Violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency. In that regard, we specifically represent that we have not been designated as, or alleged to be, a “potentially responsible party” by the Environmental Protection Agency in connection with any environmental contamination.
 - b. Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed by the Contingencies Topic of the FASB Accounting Standards Codification.
 - c. Guarantees, whether written or oral, under which DCCCA is contingently liable.
 - d. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances.
 - e. Lines of credit or similar arrangements.
 - f. Agreements to repurchase assets previously sold.
 - g. Security agreements in effect under the Uniform Commercial Code.
 - h. Liens or encumbrances on assets or other pledges of assets.
 - i. Liabilities that are subordinated to any other actual or possible liabilities of DCCCA.
 - j. Conditional promises to give.
 - k. Refundable advances.
 - l. Derivative financial instruments.
 - m. Contractual obligations for construction and/or purchase of real property, equipment, other assets and intangibles.
13. DCCCA has satisfactory title to all owned assets.
14. We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

Information Provided

15. We have provided you with:
 - a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters;
 - b. Additional information that you have requested from us for the purpose of the audit;
 - c. Unrestricted access to persons within DCCCA from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of governing board and committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.

16. All transactions have been recorded in the accounting records and are reflected in the financial statements.
17. We have disclosed to you the results of our assessment of risk that the financial statements may be materially misstated as a result of fraud.
18. We have no knowledge of allegations of fraud or suspected fraud, affecting DCCCA's financial statements involving:
 - a. Management.
 - b. Employees who have significant roles in the internal control.
 - c. Others where the fraud could have a material effect on the financial statements.
19. We have no knowledge of any allegations of fraud or suspected fraud affecting DCCCA's financial statements received in communications from employees, former employees, analysts, regulators, or others.
20. We have no knowledge of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
21. We are not aware of any pending or threatened litigation and claims whose effects were considered when preparing the financial statements and we have not consulted legal counsel concerning litigation or claims.
22. We have disclosed to you the identity of DCCCA's related parties and all the related-party relationships and transactions of which we are aware.
23. We are aware of no significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect DCCCA's ability to record, process, summarize and report financial data.
24. We are aware of no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
25. With respect to supplementary information presented in relation to the financial statements as a whole:
 - a. We acknowledge our responsibility for the presentation of such information.
 - b. We believe such information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America.
 - c. The methods of measurement or presentation have not changed from those used in the prior period.

- d. When supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and the auditors' report thereon.
26. We have received a determination from the Internal Revenue Service that we are exempt from federal income taxes as a Section 501(c)(3) not-for-profit corporation, and we have complied with the IRS regulations regarding this exemption.
27. The methods and significant assumptions used to estimate fair values of financial instruments are as follows:
 - a. Money market mutual funds and mutual funds: Valued by quoted market prices and other relevant information generated by market transactions.

The methods and significant assumptions used result in a measure of fair value appropriate for financial measurement and disclosure purposes.
28. During the course of your audit, you may have accumulated records containing data which should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.

Compliance Considerations

In connection with your audit conducted in accordance with *Government Auditing Standards*, we confirm that management:

1. Is responsible for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework.
2. Is responsible for compliance with the laws, regulations and provisions of contracts and grant agreements applicable to the auditee.
3. Has identified and disclosed to the auditor all instances that have occurred, or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.

4. Has identified and disclosed to the auditor all instances that have occurred, or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that have a material effect on the determination of financial statement amounts.
5. Has identified and disclosed to the auditor all instances that have occurred, or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements.
6. Is responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
7. Acknowledges its responsibility for the design, implementation and maintenance of internal controls to prevent and detect fraud.
8. Has a process to track the status of audit findings and recommendations.
9. Has identified for the auditor previous audits, attestation engagements and other studies related to the audit objectives and whether related recommendations have been implemented.
10. Acknowledges its responsibilities as it relates to non-audit services performed by the auditor, including a statement that it assumes all management responsibilities; that it oversees the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge or experience; that it evaluates the adequacy and results of the services performed; and that it accepts responsibility for the results of the services.

In connection with your audit of federal awards conducted in accordance with Subpart F of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), we confirm:

1. Management is responsible for complying, and has complied, with the requirements of Uniform Guidance.
2. Management is responsible for understanding and complying with the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of its federal programs.

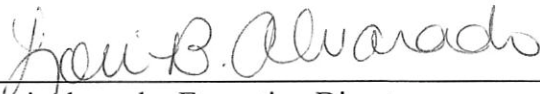
3. Management is responsible for establishing and maintaining, and has established and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that the auditee is managing federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on its federal programs in existence prior to December 26, 2014, as well as for funding increments and new awards obtained after that date.
4. Management has prepared the schedule of expenditures of federal awards in accordance with the Uniform Guidance and has included expenditures made during the period being audited for all awards provided by federal agencies in the form of grants, federal cost reimbursements contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations and other assistance.
5. Management has identified and disclosed all of its government programs and related activities subject to the Uniform Guidance compliance audit.
6. Management has identified and disclosed to the auditor the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program. Management has further identified each award resulting from programs in existence prior to December 26, 2014 and funding increments or new awards obtained after that date.
7. Management has made available all federal awards (including amendments, if any) and any other correspondence relevant to federal programs and related activities that have taken place with federal agencies or pass-through entities.
8. Management has identified and disclosed to the auditor all amounts questioned and all known noncompliance with the direct and material compliance requirements of federal awards or stated that there was not such noncompliance.
9. Management believes that the auditee has complied with the direct and material compliance requirements (except for noncompliance it has disclosed to the auditor).
10. Management has made available all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.

11. Management has disclosed to the auditor any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditors' report.
12. Management has disclosed to the auditor the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditors' report.
13. Management has disclosed the nature of any subsequent events that provide additional evidence with respect to conditions that existed at the end of the reporting period that affect noncompliance during the reporting period.
14. Management has disclosed all known noncompliance with direct and material compliance requirements occurring subsequent to the period covered by the auditors' report or stated that there were no such known instances.
15. Management has disclosed whether any changes in internal control over compliance or other factors that might significantly affect internal control, including any corrective action taken by management with regard to significant deficiencies and material weaknesses in internal control over compliance, have occurred subsequent to the period covered by the auditors' report.
16. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared.
17. The copies of federal program financial reports provided to the auditor are true copies of the reports submitted, or electronically transmitted, to the federal agency or pass-through entity, as applicable.
18. Management has charged costs to federal awards in accordance with applicable cost principles.
19. The reporting package does not contain protected personally identifiable information.

20. Management has accurately completed the appropriate sections of the data collection form.

Very truly yours,

DCCCA, Inc.



Lori Alvarado, Executive Director

Date Signed 12-10-19



Kerye Jackson, Chief Financial Officer

Date Signed 12.10.19