

*The Auditor's Communication With Those Charged
With Governance*

iLearn Academy Charter School, Inc.
(A Non-Profit Organization)

Fiscal Year ended September 30, 2021





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February 23, 2022

The Board of Trustees
iLearn Academy Charter School, Inc.

We have performed an audit of the financial statements of the iLearn Academy Charter School, Inc. (the Academy), as of and for the fiscal year ended September 30, 2021, in accordance with auditing standards generally accepted in the United States, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and have issued our report thereon dated February 23, 2022.

This report summarizes our communications with those charged with governance as required by our professional standards to assist you in fulfilling your obligation to oversee the financial reporting and disclosure process.

This report is intended solely for the information and use of the Board of Trustees and management. It is not intended to be and should not be used by anyone other than these specified parties.

REQUIRED COMMUNICATIONS

Auditor’s responsibility under professional standards, including discussion of the type of auditor’s report we are issuing and if there are any events or conditions that cause us to conclude that there is substantial doubt about the entity’s ability to continue as a going concern

The financial statements are the responsibility of management as prepared with the oversight of those charged with governance. Our audit was designed in accordance with auditing standards generally accepted in the United States, as established by the American Institute of Certified Public Accountants, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control over financial reporting. Accordingly, we will express no such opinion.

An audit also includes the evaluation of the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as the evaluation of the overall presentation of the financial statements.

Our responsibilities are included in our audit engagement letter.

Overview of the planned scope and timing of the audit

Our audit scope and timing is consistent with the plan communicated in our engagement letter dated November 3, 2021 and at our audit planning meeting with management.

Sensitive accounting estimates

A discussion of sensitive accounting estimates has been included in footnote 2 of the financial statements.

We determined that those charged with governance are informed about management's process for formulating particularly sensitive estimates and about the basis to our conclusions regarding the reasonableness of those estimates.

Management's judgment is called upon in:

- Preparing budgets that are used to administer and monitor the Academy's operations. These budgets include determining how existing financial resources will be used in the Academy's operations.
- Determining the adequacy of the allowance for accounts receivable.
- Determining the assumptions used in measuring significant accounting estimates for financial accounting purposes.

Our views about the qualitative aspects of the entity's significant accounting practices

Management has not selected or changed any significant accounting policies or changed the application of those policies in the current year.

We are not aware of any significant accounting policies used by the Academy in controversial or emerging areas or for which there is a lack of authoritative guidance.

We are not aware of any significant unusual transactions recorded by the Academy.

A discussion of significant accounting policies has been included in footnote 2 of the financial statements.

Material corrected misstatements, related to accounts and disclosures

Refer to "Schedule of Corrected Misstatements" in Appendix A.

Fraud and illegal acts

We are not aware of any matters that require communication.

Independence matters

We are not aware of any matters that in our professional judgment would impair our independence.

Representations from management

We have obtained from management a representations letter related to the audit and a copy of the management representations letter is included in Appendix B.

Changes to the terms of the audit with no reasonable justification for the change

We are not aware of any matters that require communication.

Significant findings and issues arising during the audit regarding related parties

We are not aware of any matters that require communication.

Significant deficiencies and material weaknesses in internal control

Please refer to our separately issued Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters issued on February 23, 2022 for details of identified material weaknesses.

Significant findings or issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management

We are not aware of any matters that require communication.

Significant difficulties encountered during the audit

There were no serious difficulties encountered in dealing with management in performing the audit.

Disagreements with management

There were no material disagreements with the Organization's management on financial accounting and reporting matters during the audit.

Management's consultations with other accountants

We are not aware of any consultations made by management with other accountants or specialists.

Engagement team’s involvement with preparation of the financial statements

Under GAS 2011 Revisions, Chapter 3 General Standards, Paragraph 3.34 Requirements for Performing Non-audit Services explains that the audit team should make consideration of management’s ability to effectively oversee the non-audit (or non-attest) services to be performed. The engagement team should determine that the audited entity has designated an individual(s) who possesses suitable skill, knowledge or experience and that the individuals understand the services to be performed sufficiently to oversee them. The engagement team should document consideration of management’s ability to oversee non-audit services to be performed.

The engagement team believes that this significant threat is reduced to an acceptable level upon application of the following safeguards:

- An engagement quality review was performed by a qualified Ernst & Young Partner who was not otherwise involved in the audit.
- All adjusting journal entries that Ernst & Young posted to the trial balance have been approved by management of the Academy.
- The preparation of the financial statements is based on the Academy’s trial balance with the understanding that underlying books and records are maintained by the Academy’s accounting department and that the final trial balance prepared by the Academy is complete.
- The Academy’s Chief Operations Officer and Business Manager have the skill set to oversee and review the completeness and accuracy of the financial statements and footnote disclosures.

AICPA ethics ruling regarding third-party service providers

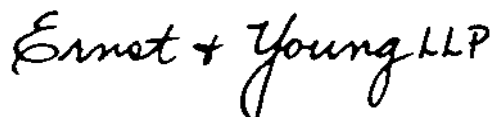
Our responsibilities are included in our audit engagement letter.

Other findings or issues regarding the oversight of the financial reporting process

There are no other findings or issues arising from the audit that are, in our judgment, significant and relevant to those charged with governance regarding the oversight of the financial reporting process.

This report is intended solely for the information and use of the Board of Trustees and management. It is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



Appendices

A – Schedule of Corrected Misstatements

B – Management Representations Letter

A – Schedule of Corrected Misstatements

Communication schedule for corrected misstatements

Entity: iLearn Academy Charter School Period ended: 30-Sep-2021 Currency: USD

No.	W/P ref.	Account	Analysis of misstatements				Effect on the current period OCI	Income statement effect of the current period
			Assets Current	Assets Non-current	Liabilities Current	Liabilities Non-current		
(misstatements are recorded as journal entries with a description)			Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Non taxable
AJE 01	UB0100	To reverse duplicate entry recorded for grant revenue.						
		ESF Grant Revenue (Tangible)						4,550
		ESF Grant Current Asset	(4,550)					
AJE 02	K0100	To record supplies expense for items below the capitalization threshold.						
		Operations						191,195
		Depreciable Capital Assets, net	(191,195)					
AJE 03	K0100	To remove depreciation expense recorded for fixed asset items that were reclassified to expenditures.						
		Depreciable Capital Assets, net	19,719					
		Supplies	494					
		Depreciation						(20,213)
Total of corrected misstatements before income tax			(175,532)	0	0	0	0	175,532
Financial statement amounts			348,413	636,775	(78,924)	0	(906,264)	(749,646)
Effect of corrected misstatements on F/S amounts			-50.4%	0.0%	0.0%	0.0%	0.0%	-23.4%

Management Representation:
The above adjustments were discussed with us and we agree to record them:

Helen Nishihira 2.23.22 Date
Helen Nishihira, Chief Operations Officer

Nijia Field 2.23.22 Date
Nijia Field, Business Manager

[For US PCAOB audits we are required to communicate all misstatements that are accumulated on our SAD.]

B – Management Representations Letter



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In connection with your audits of the basic financial statements of iLearn Academy Charter School, Inc. (the Academy) as of September 30, 2021 and 2020 and for the years then ended, we recognize that obtaining representations from us concerning the information contained in this letter is a significant procedure in enabling you to form an opinion whether the financial statements present fairly, in all material respects, financial position of iLearn Academy Charter School, Inc. and the respective changes in financial position and cash flows, where applicable, thereof in conformity with U.S. generally accepted accounting principles.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

Accordingly, we make the following representations, which are true to the best of our knowledge and belief:

Management's responsibilities

We have fulfilled our responsibilities, as set forth in the terms of the audit engagement agreement dated November 3, 2021, for the preparation and fair presentation of the financial statements (including disclosures) in conformity with US generally accepted accounting principles (US GAAP) applied on a basis consistent with that of the preceding periods.

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. We have provided you with:

B – Management Representations Letter, continued

- 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, data, documentation and other matters
- Additional information that you have requested from us for the purpose of the audit
- Unrestricted access to persons within the Academy from whom you determined it necessary to obtain evidence

We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.

From December 21, 2020 through the date of this letter, we have disclosed to you to the extent that we are aware, any (1) unauthorized access to our information technology systems that either occurred or is reasonably likely to have occurred, including of reports submitted to us by third parties (including regulatory agencies, law enforcement agencies and security consultants), to the extent that such unauthorized access to our information technology systems is reasonably likely to have a material effect on the financial statements, in each case or in the aggregate, and (2) ransomware attacks when we paid or are contemplating paying a ransom, regardless of the amount.

Ernst & Young LLP assisted in drafting the format of the financial statement footnotes and the formatting of the various fund financial statements that appear in the Academy's financial statements in accordance with standards of the Governmental Accounting Standards Board. Management accepts responsibility for the fund financial statements that appear in the Academy's financial statements as our own and have prepared the source documents for all transactions and have maintained accounting control.

Required supplementary information (MD&A) and other schedules are measured and presented within prescribed guidelines.

We have made available to your representatives all financial records and related data.

The financial statements properly classify all funds and activities.

Governmental entities

We recognize that we are responsible for the Academy's compliance with laws, regulations, and provisions of contracts and grant agreements that are applicable to it. We have identified and disclosed to your representatives, all laws and regulations that have direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.

We have identified to your representatives all previous audits, attestation engagements, and other studies related to the audit objectives and whether the related recommendations have been implemented.

B – Management Representations Letter, continued

There has been no noncompliance or possible noncompliance with provisions of contracts or grant agreements in any jurisdiction whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.

We have informed you of any investigations or legal proceedings that have been initiated or are in process with respect to the period under audit.

We have a process to track the status of audit findings and recommendations.

We have provided views on your reported findings, conclusions, and recommendations, as well as management's planned corrective actions, for the report

We have taken timely and appropriate steps to remedy fraud, and noncompliance with provisions of laws, regulations, contracts or grant agreements, that you have reported.

Uncorrected misstatements

There are no uncorrected misstatements (including the effects of correcting or reversing prior year uncorrected misstatements) or uncorrected misstatements in disclosures relating to the current year financial statements for each opinion unit.

Internal control

There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.

We are aware of the material weaknesses in the operation of internal control over financial reporting and have implemented procedures to remedy the finding. There have been no significant changes in internal control since September 30, 2021.

Minutes and contracts

The dates of meetings of shareholders, directors, committees of directors and important management committees from October 1, 2021 are as follows:

- March 19, 2021
- April 1, 2021
- August 30, 2021

We have made available to you all minutes of the meetings of shareholders, directors and committees of directors or summaries of actions of recent meetings for which minutes have not yet been prepared.

We also have made available to you all significant contracts, including amendments, and agreements and have communicated to you all significant oral agreements. We have complied with all aspects of contractual agreements that would have a material effect on the financial

B – Management Representations Letter, continued

statements in the event of noncompliance, including all covenants, conditions or other requirements of all outstanding debt.

Methods, significant assumptions, and data used in making accounting estimates

The appropriateness of the methods, the consistency in application, the accuracy and completeness of data, and the reasonableness of significant assumptions used by us in developing accounting estimates and related disclosures, including those measured at fair value, are reasonable and supportable.

Significant assumptions

Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable and supportable.

We confirm that no adjustments are required to the accounting estimate and disclosures in the financial statements due to the COVID-19 pandemic.

Ownership and pledging of assets

Except for assets capitalized under capital leases, the Academy has satisfactory title to all assets appearing in the statements of net position. No security agreements have been executed under the provisions of the Uniform Commercial Code, and there are no liens or encumbrances on assets, nor has any asset been pledged except as disclosed in the financial statements. All assets to which the Academy has satisfactory title appear in the statements of net positions (except assets leased to others under sales-type, direct financing or leveraged leases).

Receivables and revenues

Receivables represent valid claims against the debtors indicated and do not include amounts for goods shipped or services provided subsequent to the statement of net position dates, goods shipped on consignment, or other types of arrangements not constituting sales. Receivables have been determined in accordance with all relevant GASB Statements, including GASB Statements No. 33 and 62—as amended.

Adequate provision has been made for losses, costs and expenses that may be incurred subsequent to the statement of net position dates in respect of sales and services rendered prior to those dates and for uncollectible accounts, discounts, returns and allowances, etc., that may be incurred in the collection of receivables at those dates.

We have disclosed to you all sales terms (both expressed and implied), including all rights of return or price adjustments and warranty provisions. We have made available to you all significant contracts, communications (either written or oral), and other relevant information pertaining to arrangements with our customers, including distributors and resellers.

B – Management Representations Letter, continued

Inventories

Physical counts and measurements of inventories were not performed at the statement of net position dates. Inventories held at the statement of net position dates were not material to the financial statements.

Prepayments

We believe that all material expenditures for which recognition has been deferred to future periods are recoverable.

Fair value measurements

We are responsible for the estimation methods and assumptions used in measuring assets and liabilities reported or disclosed at fair value, including information obtained from brokers, pricing services or other third parties. Our valuation methodologies have been consistently applied from period to period. The fair value measurements reported or disclosed represent our best estimate of fair value as of the measurement date in accordance with the requirements of GASB Statement No. 72—as amended. In addition, our disclosures related to fair value measurements are consistent with the objectives outlined in GASB Statement No. 72—as amended.

Related party relationships and transactions

We have made available to you the names of all related parties and all relationships and transactions with related parties.

The substance of transactions with related parties as defined in GASB Statement No. 56—as amended, has been considered and appropriate adjustments or disclosures are made in the basic financial statements, and information concerning these transactions and amounts have been made available to you.

Side agreements and other arrangements

There have been no side agreements or other arrangements (either written or oral) that have not been disclosed to you.

Arrangements with financial institutions

Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances and line-of-credit or similar arrangements have been properly recorded or disclosed in the financial statements.

Events of default under debt agreements

No events of default have occurred with respect to any of the Academy's debt agreements.

B – Management Representations Letter, continued

Contingent liabilities

There are no unasserted claims or assessments, including those our lawyers have advised us of that are probable of assertion and must be disclosed in accordance with GASB Statement No. 62—as amended.

There have been no violations or possible violations of laws or regulations in any jurisdiction whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.

There have been no internal investigations or communications from regulatory agencies or government representatives concerning investigations or allegations of noncompliance with laws or regulations in any jurisdiction, noncompliance with or deficiencies in financial reporting practices, or other matters that could have a material effect on the financial statements.

There are no other liabilities or gain or loss contingencies considered material, individually or in the aggregate, that are required to be accrued or disclosed by GASB Statement No. 62—as amended, nor are there any accruals for loss contingencies included in the statements of net position or gain contingencies reflected in earnings that are not in conformity with the provisions of GASB Statement No. 62—as amended.

We have not consulted legal counsel concerning litigation, claims or assessments.

Oral or written guarantees

There are no oral or written guarantees other than those reported in the financial statements, including guarantees of the debt of others.

Purchase commitments

At September 30, 2021 and 2020 the Academy had no purchase commitments for inventories in excess of normal requirements or at prices that were in excess of market at that those dates.

There were no agreements or commitments to repurchase assets previously sold. There were no material commitments outstanding at September 30, 2021 and 2020 as a result of being a party to futures or forwards contracts, short sales or hedge transactions.

Required supplementary information

We acknowledge our responsibility for the required supplementary information on management's discussion and analysis and budgetary comparison information for the general fund, which have been measured and presented in conformity with the guidelines established by the Governmental Accounting Standards Board in its applicable GASB Statement.

There have been no changes in the methods of measurement or presentation of the required supplementary information from those used in the prior period.

B – Management Representations Letter, continued

There are no significant assumptions or interpretations underlying the measurement or presentation of the information.

The financial statements properly classify all funds and activities in accordance with GASB Statement No. 54—as amended.

Effects of new accounting principles

As discussed in Note 2, we have not completed the process of evaluating the effects that will result from adopting the amendments to the codification provided in Governmental Accounting Standards Board (GASB):

- | | |
|-------------------------|-------------------------|
| • GASB Statement No. 87 | • GASB Statement No. 94 |
| • GASB Statement No. 89 | • GASB Statement No. 96 |
| • GASB Statement No. 91 | • GASB Statement No. 97 |
| • GASB Statement No. 93 | |

B – Management Representations Letter, continued

As discussed in Note 2, the Academy is therefore unable to disclose the effects that adopting the amendments in the aforementioned GASB Statements will have on its financial position and the changes in its financial position when such amendment are adopted.

Going concern

The Academy's ability to continue as a going concern was evaluated and appropriate disclosures are made in the financial statements as necessary under GASB requirements.

Fraud

We acknowledge our responsibility for the design, implementation and maintenance of programs and internal control to prevent and detect fraud.

We have no knowledge of any fraud or suspected fraud involving management or other employees who have a significant role in the Academy's internal control over financial reporting. In addition, we have no knowledge of any fraud or suspected fraud involving other employees where the fraud could have a material effect on the financial statements.

We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud. We have disclosed to you all allegations of financial improprieties, including fraud or suspected fraud, coming to our attention (regardless of the source or form and including, without limitation, allegations by "whistle-blowers") where such allegations could result in a misstatement of the financial statements or otherwise affect the financial reporting of the Academy.

Independence

We have communicated to you the names of all the Company's affiliates, officers and directors.

We are not aware of any capital lease, material cooperative arrangement or other business relationship between the Academy and Ernst & Young LLP or any other member firm of the global Ernst & Young organization

We are not aware of any reason that Ernst & Young LLP would not be considered to be independent for purposes of the Academy's audit.

Conflicts of interest

There are no instances where any officer or employee of the Academy has an interest in a company with which the Academy does business that would be considered a "conflict of interest." Such an interest would be contrary to Academy policy.

B – Management Representations Letter, continued

Other representations

- We have identified and disclosed to you all provisions of laws and regulations that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- We have identified and disclosed to you violations (and possible violations) of laws, regulations and provisions of contracts and grant agreements with effects that should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.
- We have followed all applicable laws and regulations in adopting, approving and amending budgets, tax or debt limits and covenants and secondary market disclosures, deposits and investments, including collateral requirements on depository accounts and investments and tax levies and refunds.
- The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- The financial statements include all fiduciary activities as required by GASB Statement No.84.
- The financial statements properly classify all funds and activities in accordance with GASB Statement No. 54—as amended.
- All funds that meet the quantitative criteria in GASB Statement No. 34, as amended and GASB Statement No. 37, for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- Components of net position (net investment in capital assets; restricted; and unrestricted), and classifications of fund balance (nonspendable fund balance, and restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- Expenses have been appropriately classified in or allocated to functions and programs in the statements of activities, and allocations have been made on a reasonable basis.
- Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments or contributions to permanent fund principal.
- Provisions for uncollectible receivables have been properly identified and recorded.
- Interfund, internal and intra-entity activity and balances have been appropriately

B – Management Representations Letter, continued

classified and reported.

- Special and extraordinary items are appropriately classified and reported.
- Risk disclosures associated with deposits and investment securities and derivatives transactions are presented in accordance with GASB requirements.
- Investments, derivative transactions, and land and other real estate held by endowments are properly valued.
- Capital assets, including infrastructure and intangible assets, are properly capitalized, reported and, if applicable, depreciated.
- If the modified approach is used to account for eligible infrastructure assets, the entity meets the GASB-established requirements for doing so.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available is appropriately disclosed and net position was properly recognized under the policy.
- We are following either our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available or are following paragraph 18 of GASB Statement No. 54 to determine the fund balance classifications for financial reporting purposes.
- Subsequent events have been evaluated and classified as recognized or nonrecognized through the date of this letter.
- We have disclosed the names of all governments with which we have a tax abatement agreement, the total gross amount of taxes abated during the period, the specific taxes that were abated, and whether any commitments other than to reduce taxes were made as part of any tax abatement agreement as required by GASB Statement No. 77.
- We have disclosed tax abatements entered into by other governments that affect our revenues, including the names of the governments that entered into the agreements, the specified taxes being abated and the gross dollar amount of taxes abated during the period, as required by GASB Statement No. 77.
- We have accurately tracked the cash receipts and cash disbursements for amounts held as agency funds.

Subsequent events

Subsequent to September 30, 2021, no events or transactions, including events related to the COVID-19 pandemic, have occurred or are pending that would have a material effect on the basic financial statements at that date or for the period then ended, or that are of

B – Management Representations Letter, continued


basic financial statements in order to make them not misleading regarding the financial position, results of operations or cash flows of the Academy.

We understand that your audits were conducted in accordance auditing standards generally accepted in the United States as established by the American Institute of Certified Public Accountants and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and was, therefore, designed primarily for the purpose of expressing an opinion on the basic financial statements of the Academy and that your tests of the accounting records and other auditing procedures were limited to those that you considered necessary for that purpose.

Very truly yours,

 2/23/22

Helen Nishihira, Chief Operating Officer

 2/23/22

Nina Doromal Field, Business Manager

B – Management Representations Letter, continued



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We are providing this letter in connection with your audit of the federal award programs of the iLearn Academy Charter School (the “Academy”) as of and for the year ended September 30, 2021, which was performed in accordance with auditing standards generally accepted in the United States, 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 audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). We recognize that obtaining representations from us concerning the information contained in this letter is a significant procedure and we understand that the purpose of your testing of transactions and records from the Academy’s federal programs was to obtain reasonable assurance that the Academy had complied, in all material respects, with the compliance requirements that could have a direct and material effect on each of its major programs.

In connection with your audit, we confirm, to the best of our knowledge and belief, the following representations:

1. We acknowledge our responsibility for understanding and complying with the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs. We are responsible for complying, and have complied, with the requirements of the Uniform Guidance.
2. We have identified and disclosed to you 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 of the Academy’s major federal programs.
3. We have identified and disclosed to you any changes to compliance requirements for any COVID-19 related awards.
4. We have identified and disclosed to you any compliance requirement flexibilities provided by federal grantor agencies for any existing awards not due to additional COVID-19 funding.
5. We have identified and disclosed to you any compliance requirement flexibilities provided by federal grantor agencies for existing awards due to those respective

B – Management Representations Letter, continued

agencies' adoption of various COVID-19 related US Office of Management and Budget memoranda listed in Appendix VII of the 2021 OMB Compliance Supplement.

6. We have made available to you 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.
7. We have made available to you 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.
8. We have provided to you our interpretations of any compliance requirements that are subject to varying interpretations.
9. We acknowledge our responsibility for establishing and maintaining effective internal control over compliance for federal programs that provides reasonable assurance that federal awards are managed in compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a material effect on the federal programs.
10. We have complied in all material respects with the requirements of the Uniform Guidance including with the direct and material compliance requirements, and with federal statutes, regulations, and the terms and conditions federal awards related to each of the federal programs, except for those findings disclosed in the Schedule of Findings and Questioned Costs and/or otherwise disclosed to you.
11. We have disclosed to you that there are no instances of noncompliance with the direct and material compliance requirements of federal awards.
12. We are responsible for the presentation of the Schedule of Expenditures of Federal Awards ("the Schedule") in accordance with the Uniform Guidance, 2 CFR 200.510(b). We believe the schedule, including its form and content, is presented in accordance with the Uniform Guidance, 2 CFR 200.510(b). There have been no changes in the methods of measurement or presentation of the schedule from those used in the prior period. There are no significant assumptions or interpretations underlying the measurement or presentation of the schedule.
13. We acknowledge that it is our responsibility for understanding and complying with the compliance requirements related to the preparation of the Schedule. We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance compliance audit and have included in the Schedule all expenditures made during the period for all awards provided by federal agencies in the form of grants, federal cost reimbursement contracts, loans, loan guarantees and other noncash awards, property (including donated surplus property), cooperative agreements under the Federal Acquisition Regulations, interest subsidies, insurance, food commodities, direct appropriations and other direct assistance. The schedule is accurate and complete in all material respects, presents the information required by the Uniform Guidance, and includes all federal program expenditures made during the year ended September 30, 2021.

B – Management Representations Letter, continued

14. We have charged costs to federal awards in accordance with applicable cost principles.
15. Information presented in federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the Academy's financial statements have been prepared, and are prepared on a basis consistent with that presented in the Schedule of Expenditures of Federal Awards.
16. Amounts claimed or used for matching were determined in accordance with the applicable cost principles and administrative requirements.
17. The copies of the Academy's federal program financial reports provided to you are true copies of the reports submitted or electronically transmitted to the federal agencies or pass-through entities, as applicable.
18. We acknowledge our responsibility for the design, implementation and maintenance of programs and internal control to prevent and detect fraud. We have no knowledge of any fraud or suspected fraud affecting federal programs involving management or other employees who have a significant role in internal control over financial reporting and compliance. In addition, we have no knowledge of any fraud or suspected fraud involving other employees where the fraud could have a material effect on the federal programs. We have disclosed to you all allegations of financial improprieties, including fraud or suspected fraud, coming to our attention (regardless of the source or form and including, without limitation, allegations by "whistle-blowers") where such allegations could result in a misstatement of the financial statements or otherwise affect the financial reporting of the federal program.
19. We have accurately completed the appropriate sections of the Data Collection Form.
20. The reporting package does not contain protected personally identifiable information.
21. We have disclosed to you 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 this letter.
22. We have disclosed to you 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 year ended September 30, 2021 to the date of this letter.
23. We have disclosed to you that there are no known instances of noncompliance with the direct and material compliance requirements occurring subsequent to the year ended September 30, 2021.
24. We have disclosed whether any changes in internal control over compliance or other factors that might significantly affect internal control, including any corrective action taken with regard to significant deficiencies and material weaknesses in internal control over compliance, have occurred subsequent to the year ended September 30, 2021.

B – Management Representations Letter, continued

25. We have 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 year ended September 30, 2021.

26. We are responsible for taking corrective action on audit findings of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.

In connection with your audit, we also confirm, to the best of our knowledge and belief, the following representations related to any findings included in the Schedule of Findings and Questioned Costs:

27. We have resolved any audit findings and recommendations directed to us and have a process to track their status.

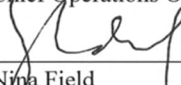
28. We have taken timely and appropriate steps to remedy fraud, noncompliance with federal statutes, regulations, the terms and conditions of federal awards or abuse that you have reported.

29. We have provided views on your reported findings, conclusions and recommendations, as well as management's planned corrective actions, for the report.

We understand that your audit was made in accordance with auditing standards generally accepted in the United States, 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 audit requirements of the Uniform Guidance and, and was, therefore, designed for the purpose of obtaining reasonable assurance about whether the Schedule of Expenditures of Federal Awards is presented fairly, in all material respects, in relation to the financial statements taken as a whole and whether the Academy had, in all material respects, administered each of its major federal programs in compliance with federal statutes, regulations, and the terms and conditions of federal awards, noncompliance with which could have a direct and material effect on the federal program. Accordingly, we understand that your tests of the accounting and federal program records and other auditing procedures were limited to those that you considered necessary for those purposes.

Very truly yours,
 2/23/22

Helen Nishihira
Chief Operations Officer

 2/23/22
Nina Field
Business Manager