



Management
Stevens Point Area Public School District
Stevens Point, Wisconsin

In planning and performing our audit of the financial statements of Stevens Point Area Public School District (the District) as of and for the year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the entity's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control.

However, during our audit we became aware another matters that is an opportunity to strengthen your internal control and improve the efficiency of your operations. Our comments and suggestions regarding that matter is summarized below. A separate communication dated November 24, 2020, contains our written communication of significant deficiencies in the entity's internal control. This letter does not affect our report on the financial statements dated November 24, 2020, nor our internal control communication dated November 24, 2020.

Pupil Activity

The Wisconsin Department of Public Instruction (DPI) requires us to review the internal controls over pupil activity funds each year. We review for adherence to DPI requirements and the District's own policy regarding pupil activity funds. During the audit, we noted certain areas where the District is not completely following DPI requirements. We noted that one disbursement in our sample did not appear to meet DPI's requirements for an activity that should be included in student activity funds. Some deposits in our sample were missing pre-numbered receipts as required by District policy.

We are aware that the District is working on implementing GASB 84 which will impact how the student activity transactions are recorded. As the district applies the GASB 84 criteria to each club, we recommend the District do the following to enhance internal controls related to student clubs:

- 1) Review current student organizations and clubs to ensure that activities are recorded in the proper fund under GASB 84. Part of this determination will included deciding if any activities should be recorded in Fund 10 General Fund or in Fund 21. When making this determination, the District should consider the following:
 - a. Athletics, school plays, and field trips should be accounted for in general District accounts and not pupil activity accounts.
 - b. Sunshine funds, faculty or coffee funds are not to be included in the general District funds.
- 2) As many individual schools may continue to maintain separate checking accounts for the activities in their schools, the District should review the receipting and depositing procedures with the secretaries to ensure district policy is being followed and internal controls are working as intended.

We will review the status of this comment during our next audit engagement. We have already discussed many of these comments and suggestions with various entity personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This communication is intended solely for the information and use of management, the School Board, and others within the entity, and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Wausau, Wisconsin
November 24, 2020